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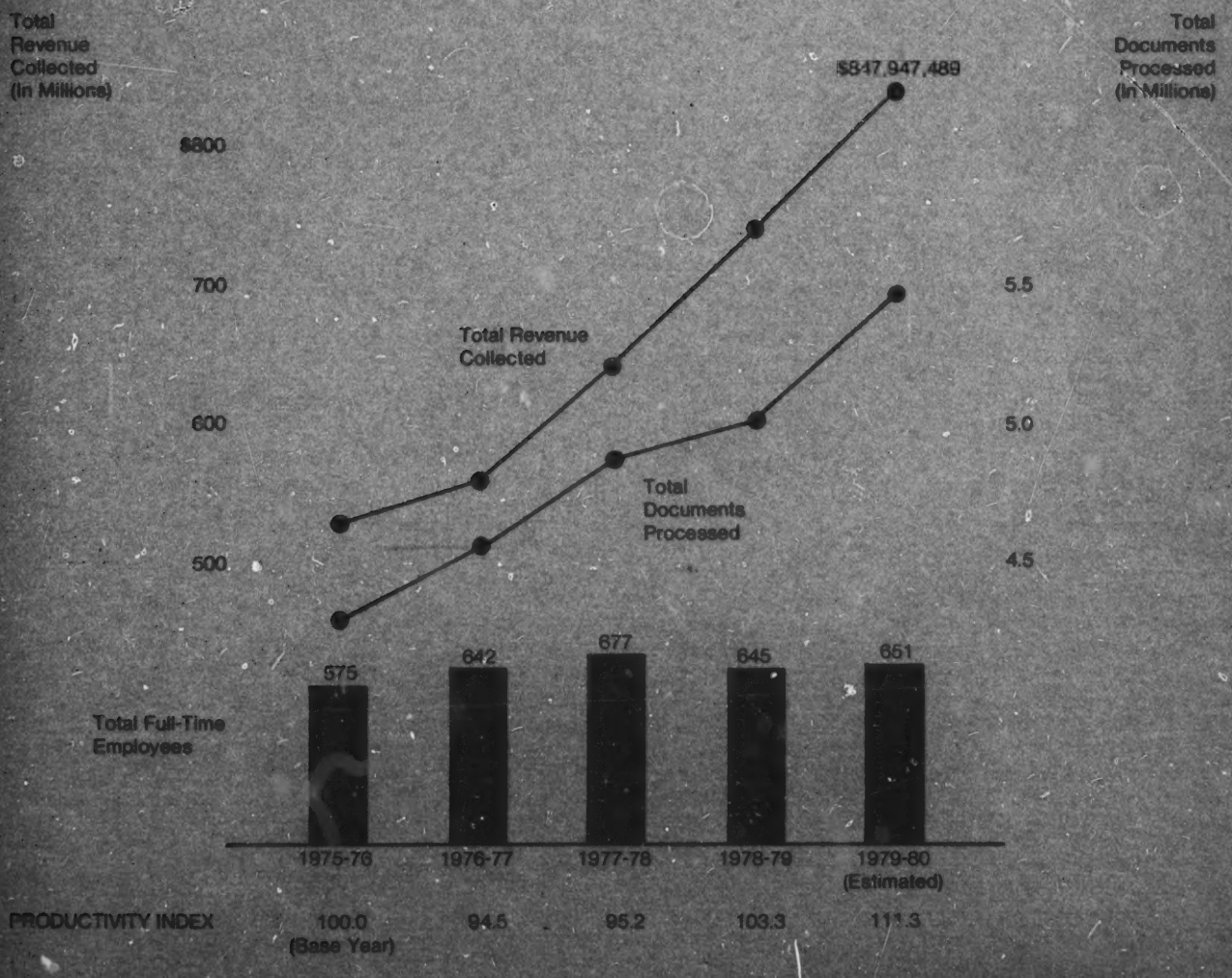
TWENTY-FIFTH BIENNIAL REPORT of the UTAH STATE TAX COMMISSION VOLUME II

July 1979 - June 1980



FEWER EMPLOYEES HANDLING A GREATER WORKLOAD

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About the Cover:

Economic and political growth have caused a tremendous increase in the volume of documents processed by the Tax Commission. At the same time, all State agencies are beset by tightening budgets. Therefore, in 1978, the Commission embarked upon a program of intensive automation. The resulting 16% increase in productivity over the last two fiscal years is impressive. This year's report emphasizes, wherever possible, the efforts of the Commission and its divisions to be more cost effective. The developing Tax Management System, the heart of the automation program, is discussed on page 21.

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TWENTY-FIFTH BIENNIAL REPORT of the UTAH STATE TAX COMMISSION VOLUME II

David L. Duncan
Chairman

Douglas F. Sonntag
Vice-Chairman

Georgia B. Peterson
Robert O. Bowen
Commissioners

Phillip E. Procter
Executive Secretary

Robert P. Rees
Editor-Contributor

For the fiscal year July 1, 1979 to June 30, 1980

OFFICE OF THE COMMISSIONERS
STATE OFFICE BUILDING
SALT LAKE CITY, UTAH 84134
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DAVID L. DUNCAN - CHAIRMAN
DOUGLAS F. SONNTAG - VICE CHAIRMAN
GEORGIA B. PETERSON - COMMISSIONER
ROBERT O. BOWEN - COMMISSIONER

DEAR GOVERNOR, LEGISLATORS, AND INTERESTED CITIZENS:

We are pleased to present our Twenty-fifth Biennial Report (Volume II) for the fiscal year 1979-80, made in compliance with Section 59-5-46, Utah Code Annotated, 1953, as amended.

The State Tax Commission is responsible for collecting most of the state's revenues. We also supervise the administration of local property taxes which provide a significant portion of the funds for local government. Of growing importance is our role as the State Board of Equalization as the public increases its use of the property tax appeals process.

Our report summarizes the taxes we have collected in the past year. We also wish to emphasize the dynamics of the Commission's work. We believe that reorganization and the employment of automation has helped to demonstrate our concern and effort towards enhancing the cost effectiveness of the Commission and State government.

Some of the more important and interesting issues affecting the State's tax future are discussed. Additionally, we have presented a brief review of recent tax legislation, as well as a preview of recommendations for further action. As concerns about taxation become greater, we are sure that this report will be a useful tool.

Sincerely,

David L. Duncan, Chairman

Robert O. Bowen, Commissioner

Douglas F. Sonntag, Commissioner

Georgia B. Peterson, Commissioner

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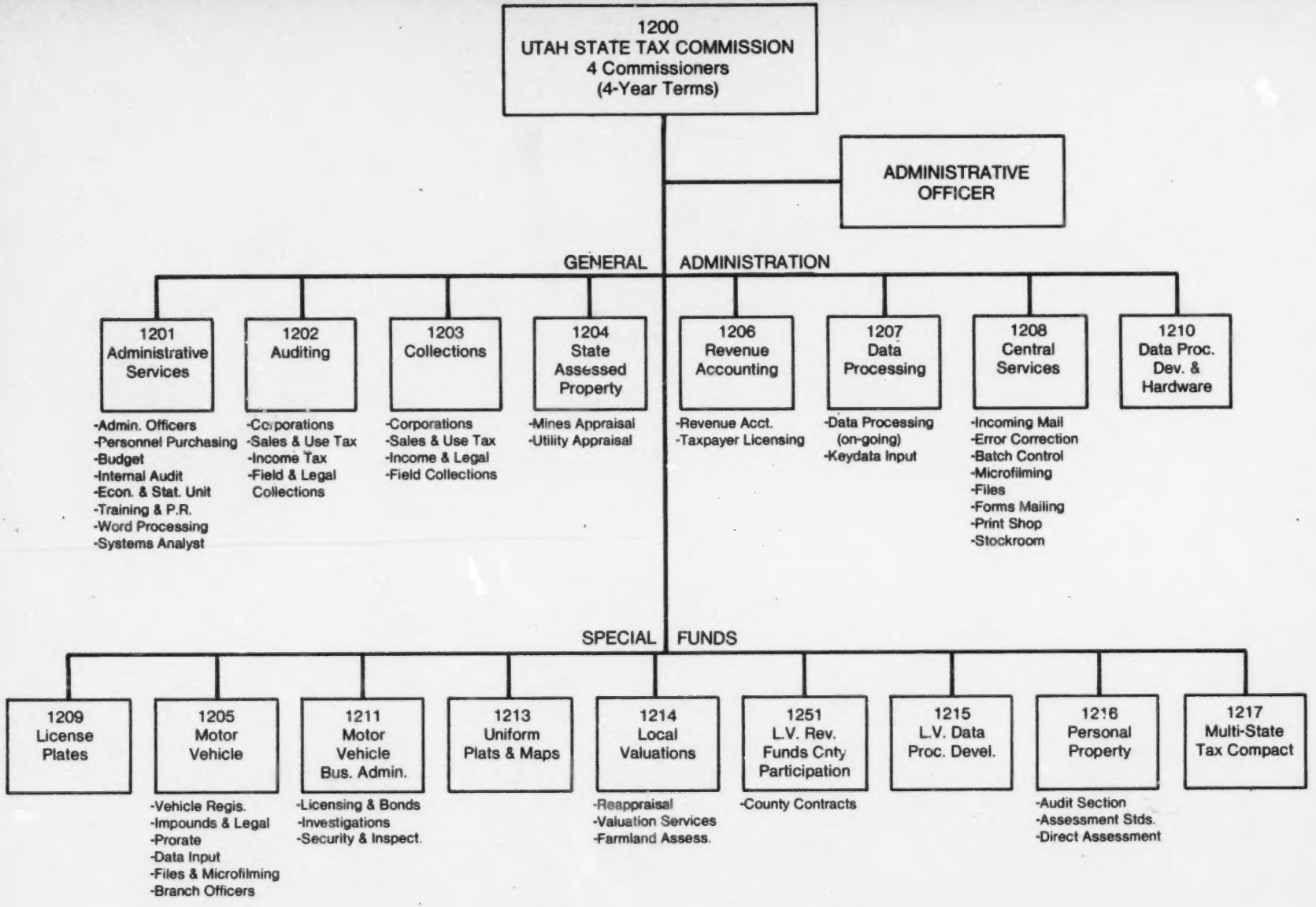
1200
UTAH STATE TAX COMMISSION
4 Commissioners
(4-Year Terms)
ADMINISTRATIVE OFFICER
GENERAL ADMINISTRATION
1201 Administrative Services
-Admin. Officers
-Personnel Purchasing
-Budget
-Internal Audit
-Econ. & Stat. Unit
-Training & P.R.
-Word Processing
-Systems Analyst
1202 Auditing
-Corporations
-Sales & Use Tax
-Income Tax
-Field & Legal Collections
1203 Collections
-Corporations
-Sales & Use Tax
-Income & Legal
-Field Collections
1204 State Assessed Property
-Mines Appraisal
-Utility Appraisal
1206 Revenue Accounting
-Revenue Acct.
-Taxpayer Licensing
1207 Data Processing
-Data Processing (on-going)
-Keydata Input
1208 Central Services
-Incoming Mail
-Error Correction
-Batch Control
-Microfilming
-Files
-Forms Mailing
-Print Shop
-Stockroom
1210 Data Proc. Dev. & Hardware
SPECIAL FUNDS
1209 License Plates
1205 Motor Vehicle
-Vehicle Regis.
-Impounds & Legal
-Prorate
-Data Input
-Files & Microfilming
-Branch Officers
1211 Motor Vehicle Bus. Admin.
-Licensing & Bonds
-Investigations
-Security & Inspect.
1213 Uniform Plats & Maps
1214 Local Valuations
-Reappraisal
-Valuation Services
-Farmland Assess.
1251 L.V. Rev. Funds Cnty Participation
-County Contracts
1215 L.V. Data Proc. Devel.
1216 Personal Property
-Audit Section
-Assessment Stds.
-Direct Assessment
1217 Multi-State Tax Compact

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REVENUE ACCOUNTING

Floyd Tanner, *Director*
Gilbert Naisbitt, *Assistant Director*

The Revenue Accounting Division has three major functions:

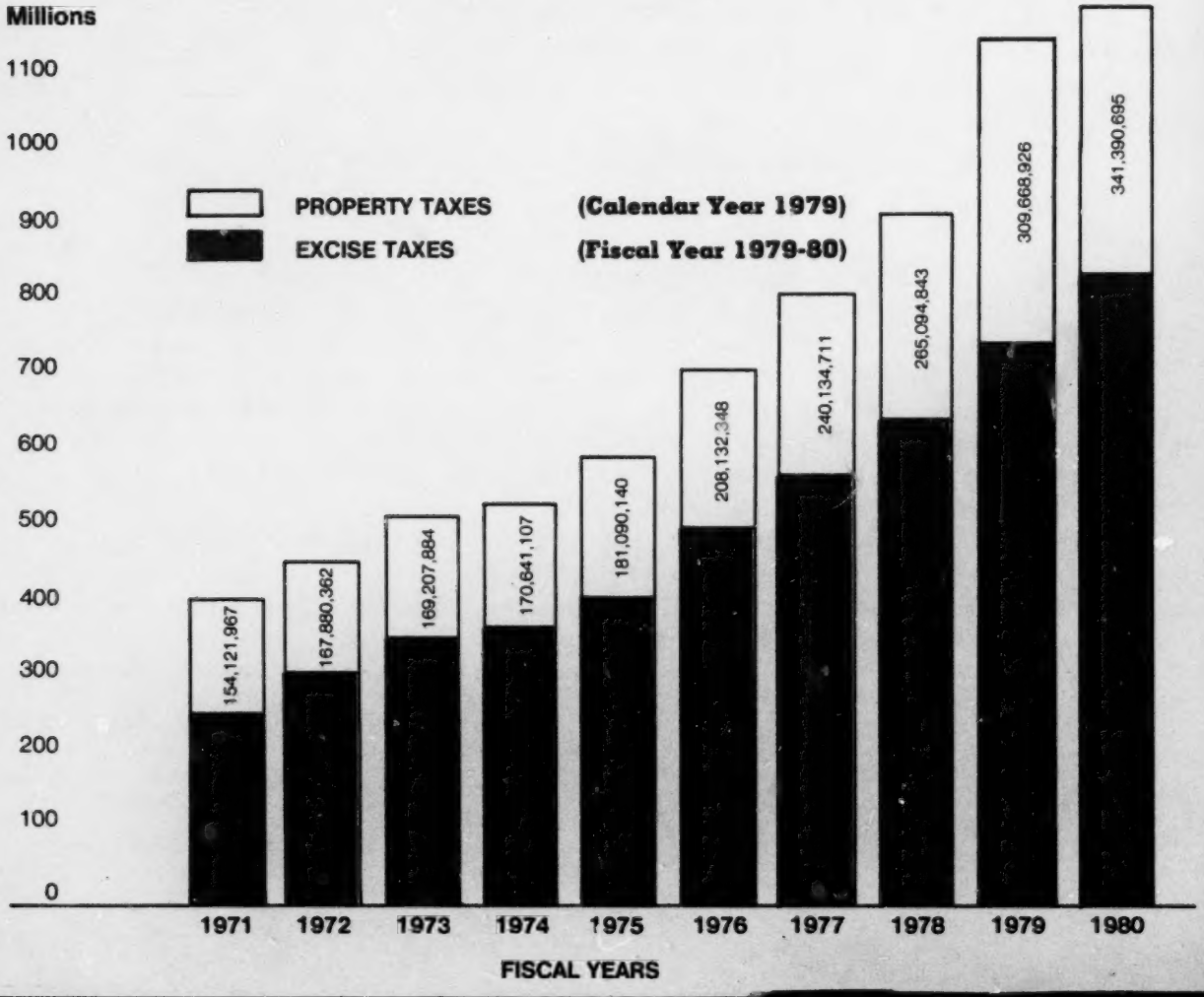
1. Receiving and receipting all revenues collected.
2. Establishing appropriate accounting records.
3. Licensing.

A new section, Taxpayer Services, handles basic transactions with the public, coordinates all licensing functions, and updates our taxpayer master files. Other duties of the Division include: safekeeping of certain surety bonds and other negotiable instruments and securities deposited by taxpayers; the maintenance of a revolving fund used for change in the various district offices; the administration of a petty cash fund and a travel advance fund; and the control of cigarette stamps.

Figure A shows the level of property and excise taxation during the last ten years. As can be clearly seen in Figure A and Table 3 (Appendix), property taxes are assuming a smaller role in total revenue collections. Figure B illustrates the greatest source of revenue for each of the State's major funds.

FIGURE A

COMPARISON OF PROPERTY TAX & EXCISE TAX COLLECTIONS



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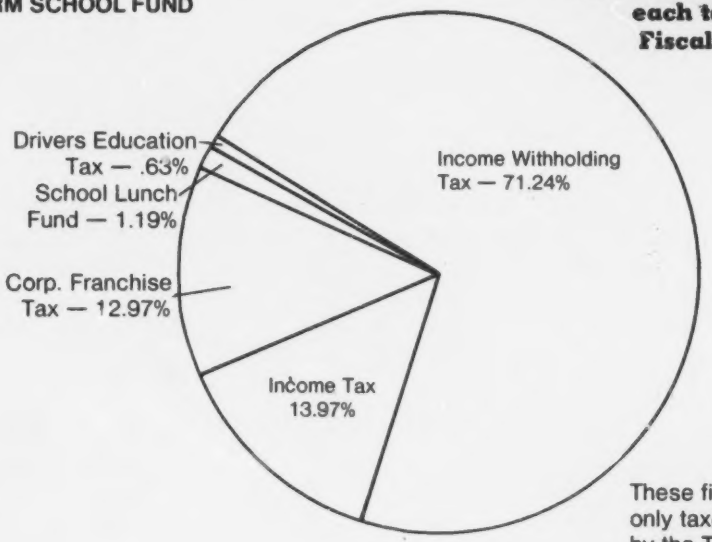
TAXES AND COLLECTIONS BY TAX COMMISSION

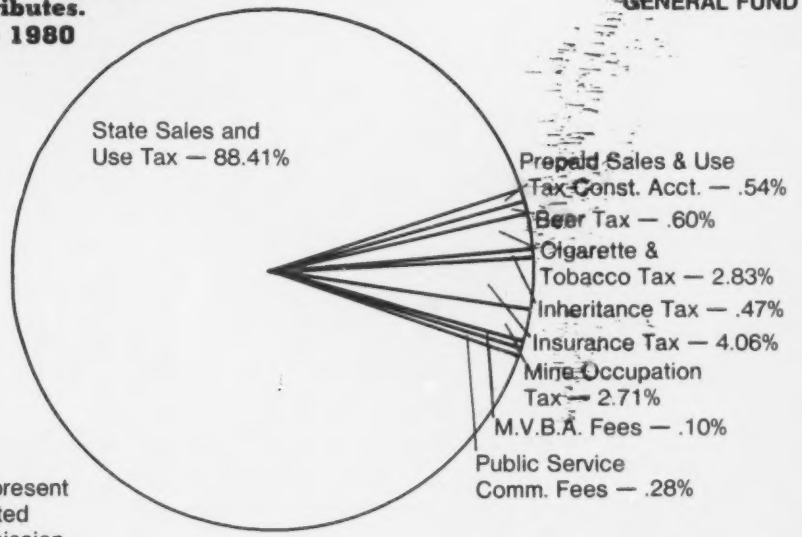
Showing funds and percentage each tax contributes. Fiscal Year — 1980

FIGURE B

UNIFORM SCHOOL FUND

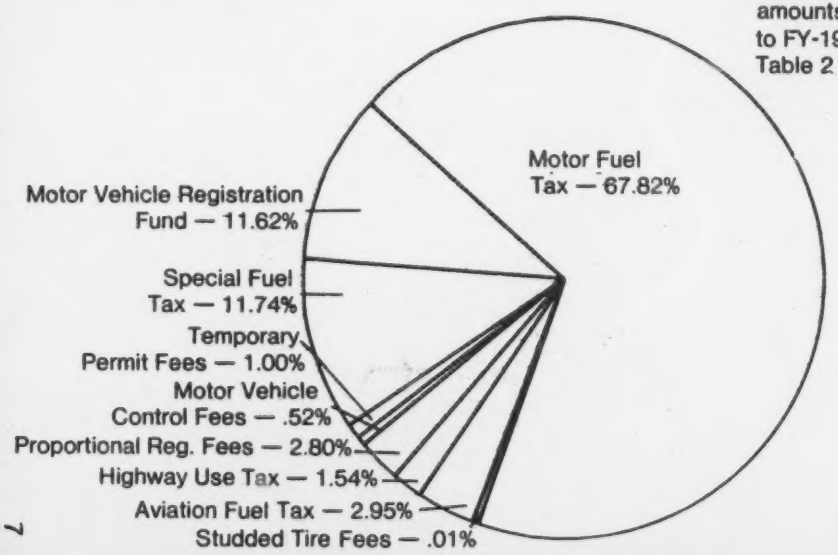


GENERAL FUND

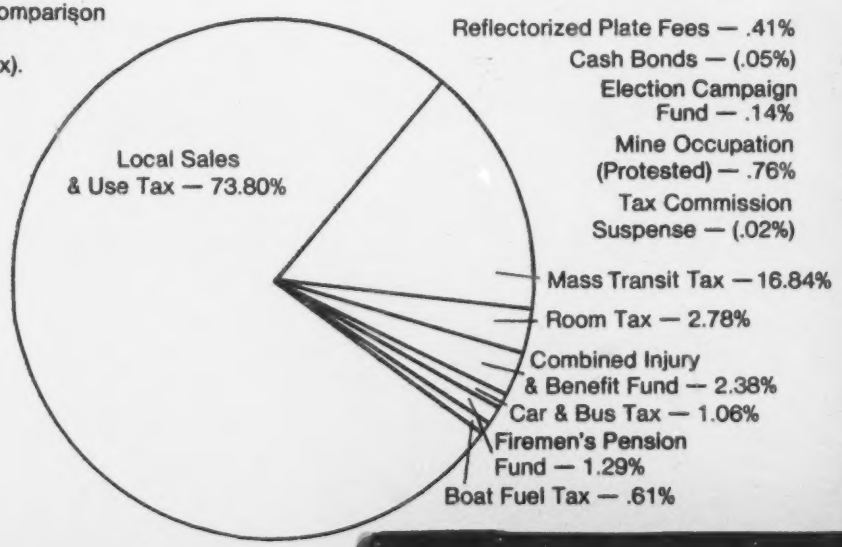

State Sales and Use Tax — 88.41%
Prepaid Sales & Use Tax Const. Acct. — .54%
Beer Tax — .60%
Cigarette & Tobacco Tax — 2.83%
Inheritance Tax — .47%
Insurance Tax — 4.06%
Mine Occupation Tax — 2.71%
M.V.B.A. Fees — .10%
Public Service Comm. Fees — .28%

These figures represent only taxes collected by the Tax Commission and do not indicate total State revenue in each Fund. For actual amounts and a comparison to FY-1979, see Table 2 (Appendix).

TRANSPORTATION FUND


Motor Vehicle Registration Fund — 11.62%
Special Fuel Tax — 11.74%
Temporary Permit Fees — 1.00%
Motor Vehicle Control Fees — .52%
Proportional Reg. Fees — 2.80%
Highway Use Tax — 1.54%
Aviation Fuel Tax — 2.95%
Studded Tire Fees — .01%
Motor Fuel Tax — 67.82%

TRUST & AGENCY FUND


Reflectorized Plate Fees — .41%
Cash Bonds — (.05%)
Election Campaign Fund — .14%
Mine Occupation (Protested) — .76%
Tax Commission Suspense — (.02%)
Local Sales & Use Tax — 73.80%
Mass Transit Tax — 16.84%
Room Tax — 2.78%
Combined Injury & Benefit Fund — 2.38%
Car & Bus Tax — 1.06%
Firemen's Pension Fund — 1.29%
Boat Fuel Tax — .61%

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AUDITING

Don Bosch, *Chief Auditor*

During the past fiscal year, the Auditing Division reviewed returns and records which required the following adjustments:

Corporation Franchises Taxes	$ 3,415,000
Individual Income Taxes and Rebate Reductions	3,998,000
Miscellaneous Taxes	588,000
Sales and Use Taxes	5,446,000
Total (including penalty and interest)	$13,447,000

Last year, nearly 11,500 auditing man-hours were lost because of the rebate program. Divisional manpower and resources were diverted to handle and audit some 360,000 rebate documents, answer taxpayers' questions, and perform additional services. (See Tax Rebate Administration, page 20.)

Checking the rebate applications resulted in a reduction of claims of well over $1,000,000. Causes of reductions were failures to reduce the property tax base to 1 acre, claims covering business and rental property, math errors, duplicate claims, etc. There were also several claims which were increased, primarily due to math errors and failures to claim the minimum amount.

Since the rebate period was quickly followed by the income tax refund seasonal rush, many hours of work ordinarily spent auditing **paid** income tax returns were, of necessity, deferred. This audit activity will not show up until the 1980-81 fiscal year is complete.

Several innovations were introduced last year. For example, approval was obtained to purchase 3 small computers. A supplemental appropriation was then secured to hire several part-time and seasonal employees. After a very brief training period, these employees were able to operate the computers in 2 shifts to audit short-form income tax returns. The program allowed us to retain 12 auditors in the field rather than transfer them to work on refund claims. In 3 months, the field auditors netted approximately $811,000 (plus penalty and interest). This is close to a 10-to-1 return on the supplemental appropriation.

The average annual changes (increases and decreases) for corporation franchise tax assessments were over $500,000 per auditor. Several out-of-state field audits proved especially successful. Last year, each individual income tax auditor averaged changes of approximately $130,000. Each field auditor averaged approximately $140,000 in changes, primarily in sales and fuel taxes. (See Multistate Tax Commission, page 6, for spectacular returns from that program.)

Obviously, the growth in Utah business and government dictates a need for more auditing activities. The figures above clearly indicate that additional auditors would bring positive returns to State revenue funds. **Importantly, then, budget restrictions must not be applied to the hiring of auditors.**

The Auditing Division is also implementing innovations and efficiency measures. The new Tax Management System will play a crucial role in this effort. Computers will test returns for the probability of a need to audit. Moreover, auditors will be freed for more difficult tasks as the computer performs simple but time-consuming functions, e.g. checking math errors. This automation, supplementing a full auditing staff, will help to increase effective coverage to deter tax manipulation and reporting negligence.

MULTISTATE TAX COMMISSION

Utah has been a member of the Multistate Tax Commission for over a decade. The MTC offers pooled resources for the auditing of interstate business and seeks to guarantee "full accountability."

Without knowledge of business activities in each state, it is impossible to verify that the proper amount of tax is allocated to each state.

In 1977, Utah joined the MTC's audit program and received its first returns. In the past three years, over $1,000,000 has been collected. In contrast, Utah's payments to the MTC for the last three years have totalled about $100,000 (a 10-to-1 return). It is indeed conceivable that over $1,700,000 may be at stake for Utah in FY 1981 alone.

The MTC is also fighting for the "unitary business concept" whereby a company consisting of multiple corporations cannot gain an unfair tax advantage over a company with many divisions.

Though the MTC began working in 1967, it has faced a series of corporate efforts designed to limit its authority. The constitutionality of the interstate audit program, and of the MTC itself, were contested for six years until the U. S. Supreme Court upheld the MTC in 1978. Corporations have threatened the MTC with federal legislation and international tax treaties as well.

With the legitimacy of the MTC finally established, there remains only some final litigation concerning corporate compliance with the MTC's rights of access. The fight to protect the MTC has demonstrated not only what the MTC can do, but also that interstate cooperation has become essential. Utah has recognized the value of the MTC towards promoting tax equity and compliance.

COLLECTIONS DIVISION

Kent Price, *Director*
Tom Duggar, *Asst. Director*

The Collections Division is responsible for collecting the accounts receivable for 13 different taxes. The taxpayer is first billed for each delinquency and then contacted by telephone or a field agent. Ultimately, legal action may be employed if all other efforts at collection have failed.

Three years ago, a new collection technique, the "Gotcha" program, was developed. Two printouts were manually compared to apply a taxpayer's income tax refund to any outstanding liabilities. The first year, the program netted in excess of $50,000. With some automation in the second year, $100,000 in receivables were cleared. With further automation, the cooperation of the State Auditors Office, and the help of other agencies, $633,000 in revenue was collected in FY 1979-80.

In accordance with the new Tax Management System, the Collections Division has been reorganized to better accommodate the needs of the taxpayer and to increase efficiency. The Division was formerly divided into sections, each specializing in a particular tax. Duplication of efforts often occurred. Now however, a taxpayer calling for information about more than one tax need only correspond with one section for all his tax collection problems.

The growth in Utah's economy and population is creating a tremendous increase in the volume of our accounts. Further computerization is being strongly emphasized in order to handle this growth while achieving greater efficiency, productivity, and cost-effectiveness.

LOCAL VALUATION

Douglas Holmberg, *Director*

During the past fiscal year, Local Valuation Division completed its revaluation of Garfield, Kane, Wayne, and Summit counties. In the course of revaluation in these counties, we discovered over $60.2 million of properties which had previously escaped assessment. In addition, nearly $944,000 of formerly exempt properties were placed on tax rolls.

According to statute, as counties are revalued, assessments must be rolled back to the January 1, 1978 equivalent level. Thus, properties in all counties will be brought up to current market value simultaneously. Consequently, an ever-increasing number of appraisal records of those counties now on the computer-assisted assessment system (CAAS) must be maintained during the course of an entire revaluation cycle. At the end of this fiscal year, over 512,000 standard units* in previously revalued counties were being maintained. This effort accounts for over 50% of our computer expenses.

The enhanced computer system is far more responsive to the needs of the County Assessors. A number of counties have elected to purchase computer equipment compatible with Local Valuation's system. Salt Lake County, for example, now has terminals which can communicate directly with the State's data base.

From the growing capabilities of the present computer system, the Division is receiving far greater statistical information. This data will provide formerly unavailable project control, projection data, and measures of systems' effectiveness. Figure F illustrates our newly attained capabilities. The stated timeframe is considered to be a maximum period for the current reappraisal cycle (given additional funding by the Legislature for personnel and data processing). These projections do not consider any increase in productivity due to technological and procedural changes within the Division, nor do they consider any assistance from county personnel.

These estimates of standard units are considered to be maximums and account for substantial growth within counties prior to and during reappraisal. In summary, given the required level of funding, and with anticipated procedural and technological advancements, the projected 1987 completion date can be reduced.

Figure F indicates the progress toward conversion to the refined CAAS. Figure G shows the overall assessment levels in each county as indiciated by the 1979 Assessment-Sales Analysis. (The latest studies are available in December of each year.) Figure D is a report of land classification completed during the fiscal year for administration of the Farmland Assessment Act. Figure E is a recapitulation of assistance rendered to counties during the past fiscal year. It should be noted that counties have been billed for approximately 340% more assistance than during the past year, due to the new computerized time accounting and billing system.

Other items which have been accomplished during FY 1979-80 include:

- Implementation of a complete personnel time accounting system for both quantity and quality (the only such system in State government). This system permits accurate workload and budget projections.
- Computerized billing of counties, yielding 50-70% increase in collections. Counties now pay an actual 30% for technical services and the Revaluation Program. (See Figure E.)
- Successful transfer from the Management Systems Corporation computer to the State System which is able to provide significantly greater capabilities.
- Placing 50% of locally assessed real property on the State's data base. Counties may have access to this data base from their respective offices, if desired.
- Processing the most appeals since the inception of the program in 1969 (except 1978 when Salt Lake County was placed on the tax rolls).
- Development of a Tax Commission appraiser's certification course, using division staff. Estimated savings: $5,000 annually.
- Divisional computer users and technological advancements with in-house computer enhancements, yielding a three-fold increase in processing. A modest reduction in personnel was simultaneously achieved.

*NOTE: The standard appraisal unit is a weighting system developed to account for the time required to appraise various properties. The number or portion of standard units per appraisal is dependent upon the complexity of each appraisal.

Figure C below states the order of revaluation for the current cycle as determined by the 1977 Assessment-Sales Analysis:

FIGURE C

CYCLE II ORDER OF REVALUATION

COUNTY	COUNTY	COUNTY	COUNTY
Garfield	Daggett	Weber	Juab
Wayne	Rich	Cache	Salt Lake*
Wasatch	Uintah	San Juan	Carbon*
Duchesne	Millard	Grand	Sanpete*
Kane	Washington	Davis	Sevier*
Summit	Beaver	Piute	
Morgan	Tooele	Utah	
Emery			

*If these counties maintain their 1978 assessment levels, reappraisal under Cycle II will probably not be necessary.

FIGURE D

ACREAGE COMPUTATION AND REVIEW OF CLASSIFICATION FISCAL 1979-80

COUNTY	TOTAL ACREAGE	TOTAL PRIVATE	IRRIGATED CROPLAND
Wayne	1,591,040	99,965	21,815
Kane	2,570,240	145,288	8,912
Garfield	3,318,400	132,337	31,869
Summit	1,180,600	652,255	40,497
Morgan	390,400	359,216	11,401
Daggett	438,680	63,552	10,985
TOTAL	9,497,420	1,452,613	125,479

NOTE: It has been our practice to only review cropland in the field. However, all private acreage is re-computed and reviewed by photo in the office. New photos are purchased for irrigated and dryland where available in project counties.

FIGURE E

COUNTY ASSISTANCE FISCAL 1979-80

	TOTAL MAN-DAYS	*TOTAL COST	**COUNTY PORTION
All Counties	1,350.99	$187,289.76	$67,026.90

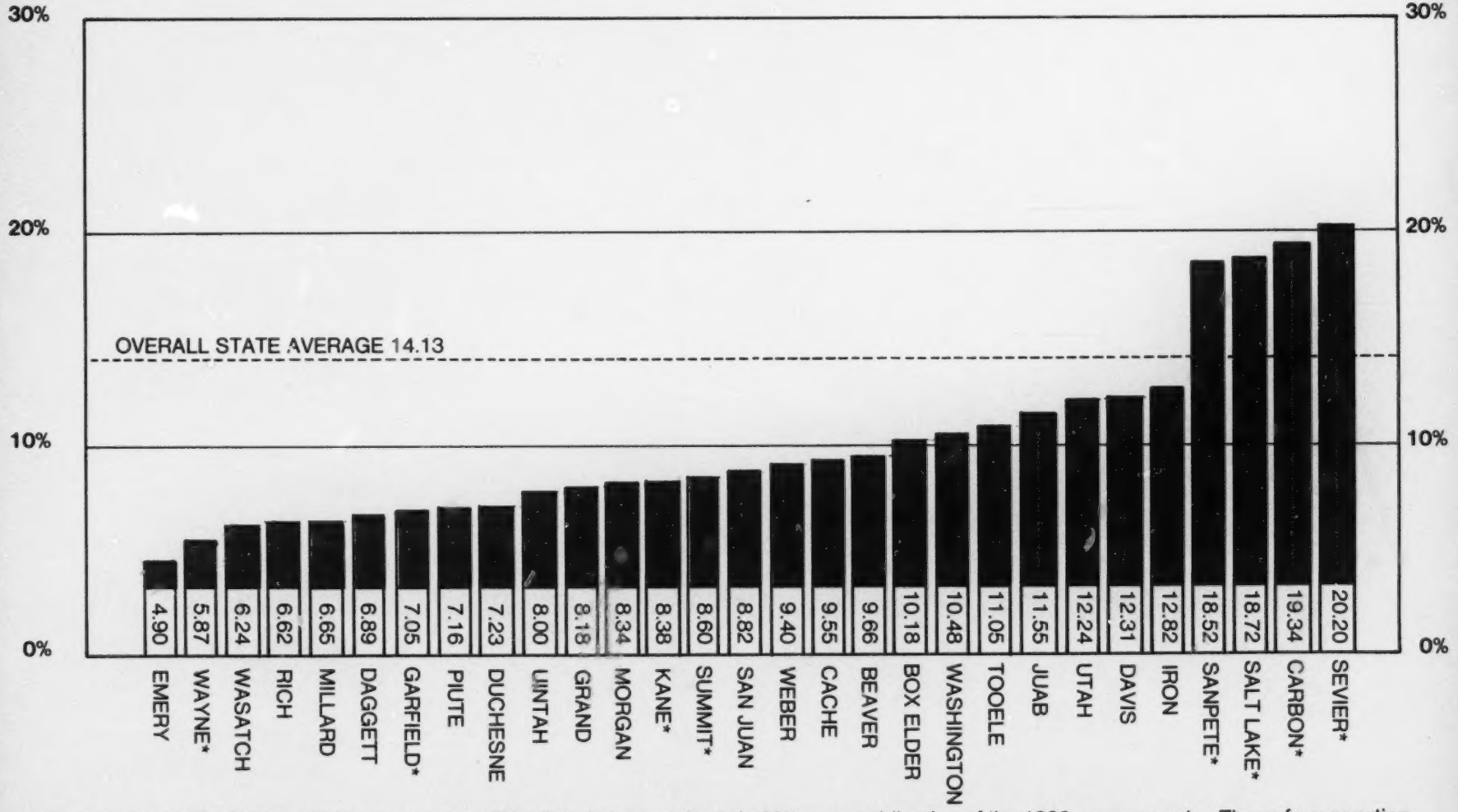
FIGURE F

CONVERSION TO REFINED COMPUTER ASSISTED APPRAISAL SYSTEM (CAAS) (Revised)

COUNTY	UNITS	% OF STATE	COMPLETION
Salt Lake	327,494	33.9	1979
Carbon	14,026	1.4	1979
Sanpete	17,251	1.8	1979
Sevier	13,834	1.4	1979
Summit	17,158	1.8	1980
Garfield	5,512	.6	1980
Wayne	2,148	.2	1980
Kane	7,588	.8	1980
Wasatch	10,204	1.1	1981
Duchesne	13,650	1.4	1981
Morgan	3,113	.3	1981
Emery	7,103	.7	1981
Daggett	1,490	.2	1981
Rich	4,618	.5	1981
Uintah	17,225	1.8	1982
Millard	14,919	1.5	1982
Washington	23,787	2.5	1982
Beaver	4,959	.5	1982
Box Elder	30,278	3.1	1982
Tooele	19,153	2.0	1983
Wever	118,234	12.2	1984
Cache	39,137	4.0	1984
San Juan	8,171	.8	1984
Grand	5,490	.6	1984
Davis	96,882	10.0	1985
Piute	2,079	.2	1986
Iron	18,968	2.0	1986
Juab	15,638	1.6	1986
Utah	107,480	11.1	1987
	967,589	100%	

FIGURE G

ASSESSMENT LEVELS - COUNTIES OVERALL
1979



*Summit, Kane, Garfield, and Wayne counties will be listed at approximately 20% upon publication of the 1980 assessments. These four counties, plus Salt Lake, Sevier, Carbon, and Sanpete counties will have their assessments rolled back to the 1978 level by law.

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STATE ASSESSED PROPERTY

Robert Cooper, *Director*
Robert Sugino, *Asst. Director*

The State Tax Commission is responsible for assessing several categories of property which cross county and state boundaries. These properties include those of airlines, bus lines, car companies, gas distribution companies, pipeline companies, power companies, railroad companies, terminal companies, water companies, mining companies, and oil and gas companies. The assessed values of these properties are determined annually and then apportioned to the taxing districts.

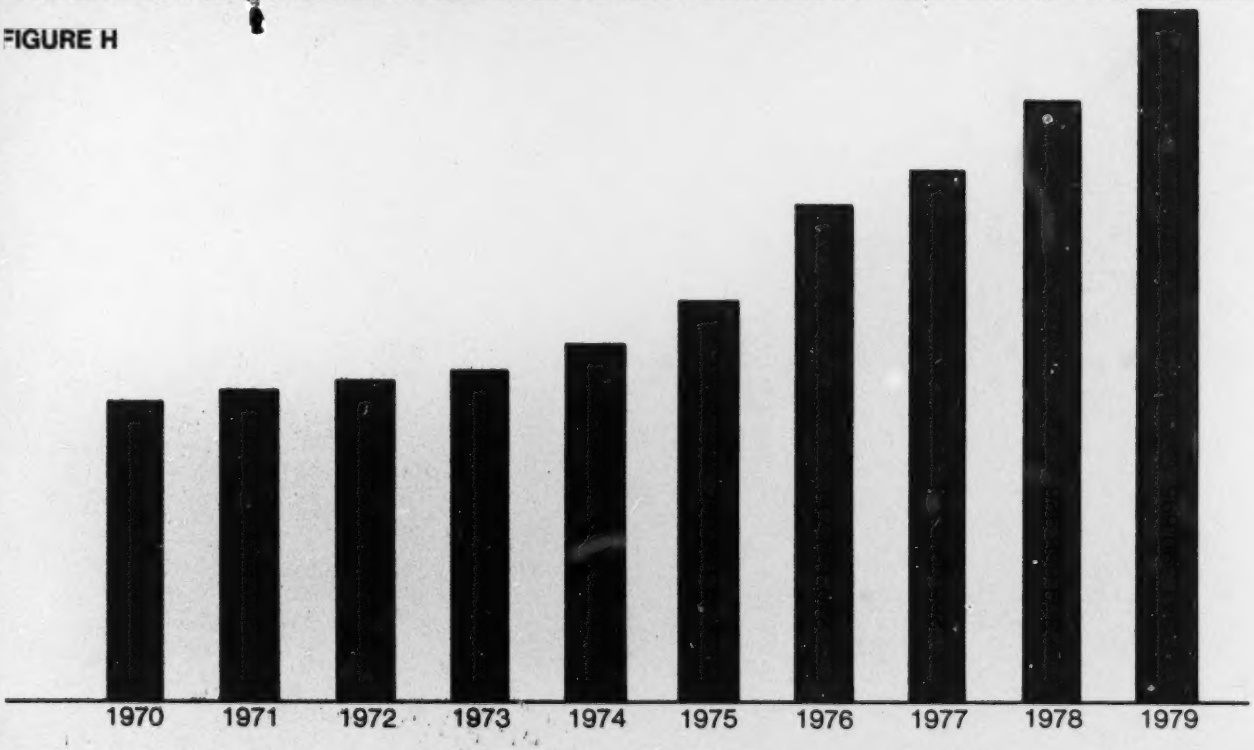
Table 7 (Appendix) represents the total assessed value and total taxes charged for all properties in 1978 and 1979. Assessed value state-wide increased 10.84% to $5,240,516,524 in one year. While assessed values increased 10.84%, total taxes rose only 10.24%. The largest percentage increase in locally assessed properties was for residential buildings (13.75%) and residential real estate (12.99%). The largest percentage increase in state assessed property was for power companies (20.79%).

Figure I graphs the percentage of assessed value attributable to each class of property. There was little fluctuation between 1978 and 1979 in the distribution of assessed value for the different classes of property despite the percentage of assessment for state assessed property decreasing from 22% to 21%. Figure J shows the distribution of property taxes in 1979. Table 9 (Appendix) compares the distribution of property taxes according to purpose for 1978 and 1979.

Property taxes from all classes of property from 1970 to 1979 increased 122%, from $154,121,967 to $341,390,695 (Figure H). Assessed values of all properties increased from $1,847,510,322 to $5,240,516,524, or 184%, during the same period (Figure K). In Figure K, the growth of state assessed properties has not kept up with locally assessed properties. This is partially due to the lowering of the assessment level from 27.5% (1970) to 21.0% (1979), and to the depressed market and high operating expenses in the copper industry.

TOTAL PROPERTY TAXES CHARGED ON ALL PROPERTY FOR THE PAST TEN YEARS

FIGURE H

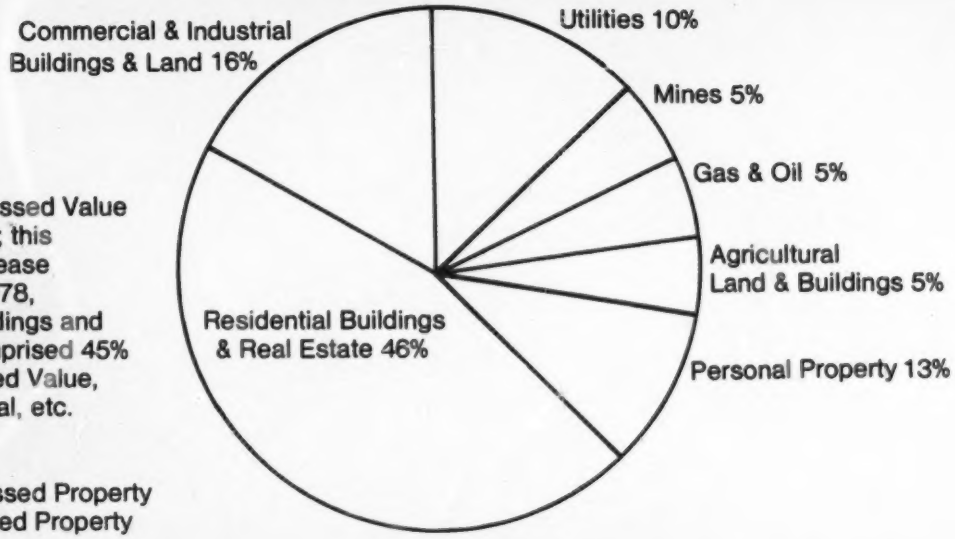


Property Taxes Charged in 1979 were 2.22 times greater than in 1970

ASSESSED VALUE OF ALL CLASSES OF PROPERTY FOR 1978 AND 1979

1979 Total Assessed Value $5,240,516,524

FIGURE I

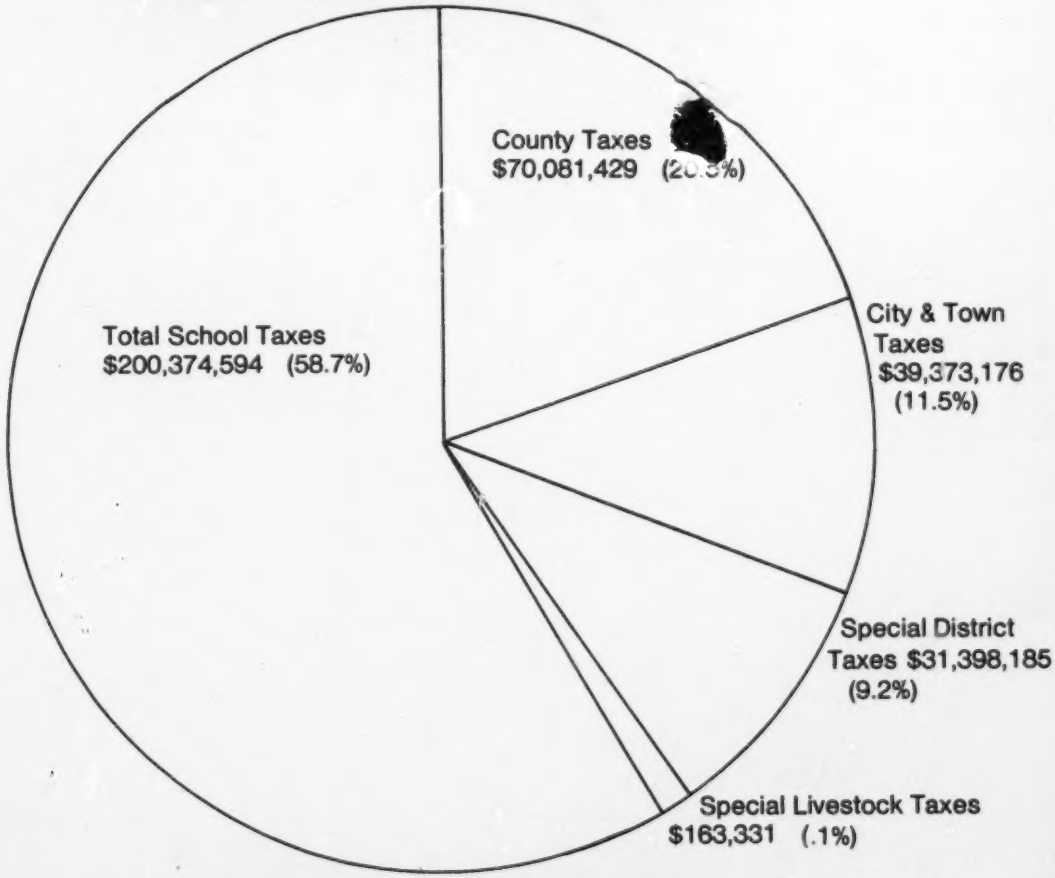

Commercial & Industrial Buildings & Land 16%
Utilities 10%
Mines 5%
Gas & Oil 5%
Agricultural Land & Buildings 5%
Residential Buildings & Real Estate 46%
Personal Property 13%

1979 Total Assessed Value =5,240,516,524; this is a 10.84% increase over 1978. In 1978, Residential Buildings and Real Estate comprised 45% of Total Assessed Value, while Commercial, etc. comprised 17%.

○ Locally Assessed Property
● State Assessed Property

PROPERTY TAX DISTRIBUTION FOR 1979

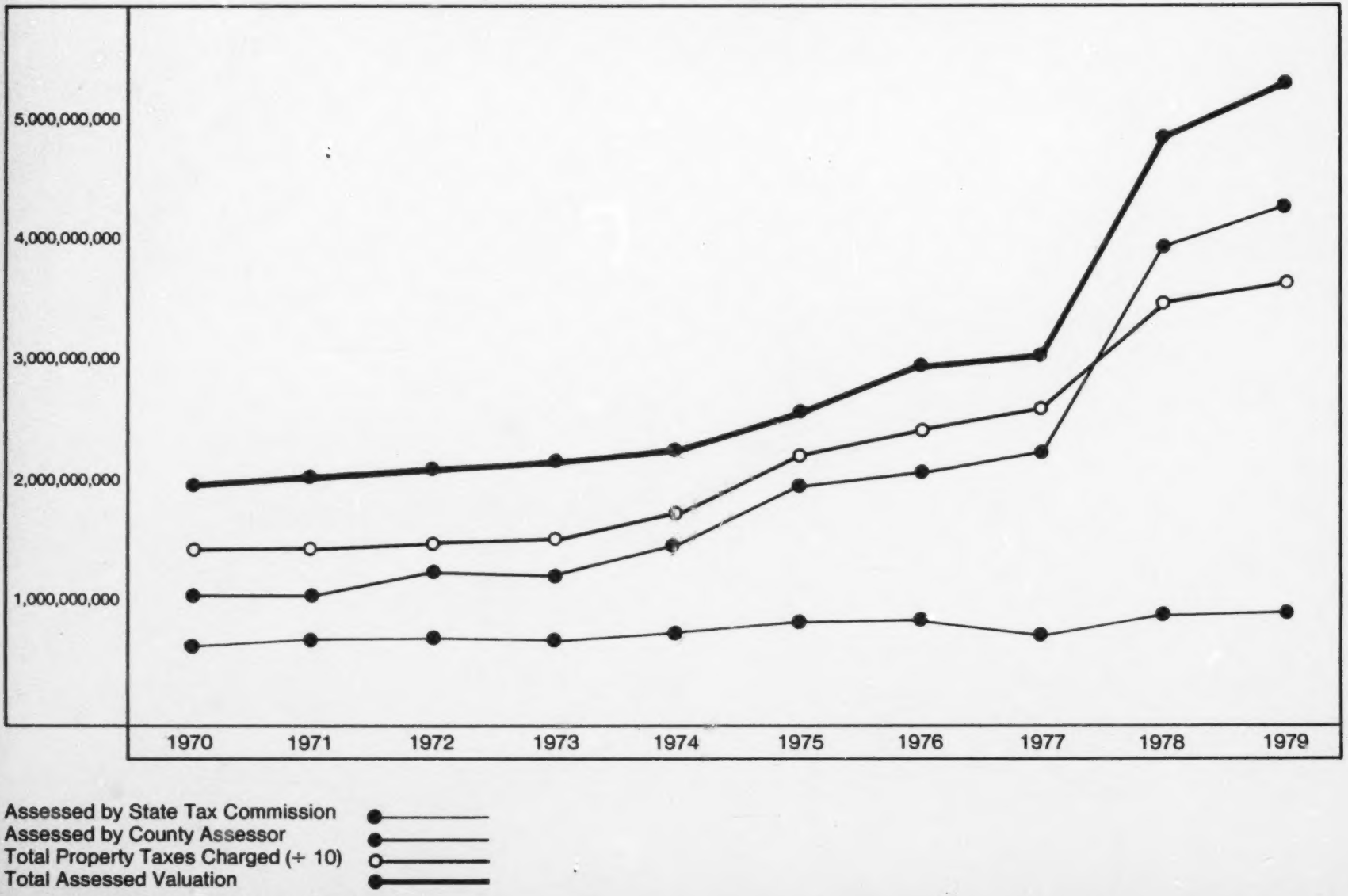
FIGURE J



Total Property Taxes - $341,390,695
10.2% Increase over 1978 Property Tax Collections

FIGURE K

ASSESSED VALUE AND TAXES CHARGED FOR EACH CLASS OF PROPERTY OVER THE PAST TEN YEARS



PERSONAL PROPERTY

James Kesler, *Director*
Robert Stringham, *Asst. Director*

Each year, the Tax Commission is required to appraise or audit 20% of all auditable personal property. These results are then reported to the county assessors. All personal accounts are thus covered over a cyclical 5-year period. The accompanying pie graph (Figure L) portrays a percentage breakdown of the bulk of our assessment work.

The Division is employing automation to help meet its responsibilities of uniformity and equity. Currently, all passenger cars and pickup trucks are centrally valued with the computer. The computerized assessment for truck campers has already been completed for 29 counties (as projected) and plans are in progress to initiate valuing recreation vehicles on the same basis.

Figure M illustrates the yearly increases and decreases in the assessed values of county personal property accounts resulting from state audits. New techniques and refinements in the existing procedures have resulted in an increase in audits per-man per-day and substantial increases in audits of escaped property. Please consider the following chart:

Year		Man Days	Audits/Man Day	Net Value Increase
78-79	3952	1865	2.12	13,190,617
79-80	3948	1751	2.25	17,697,103
Change	-1%	-6%	+6%	+34%

*The bulk of this increase is due to the assessment of leasehold improvements in malls. Little extra time was needed but the increase in assessed value was substantial. The cost of administering the program is shared by the counties. Last year's budget ($281,700) was funded in part by a 30% billing of the counties ($84,500). Close liason is being maintained with local county officials to ensure that audit results are reflected in the tax records.

FIGURE L

TOTAL ASSESSED VALUE OF PERSONAL PROPERTY

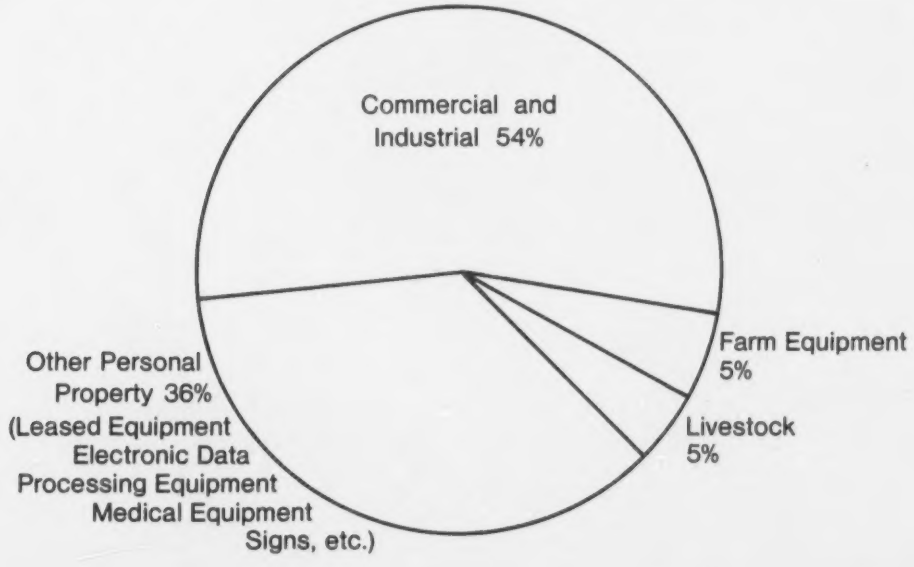
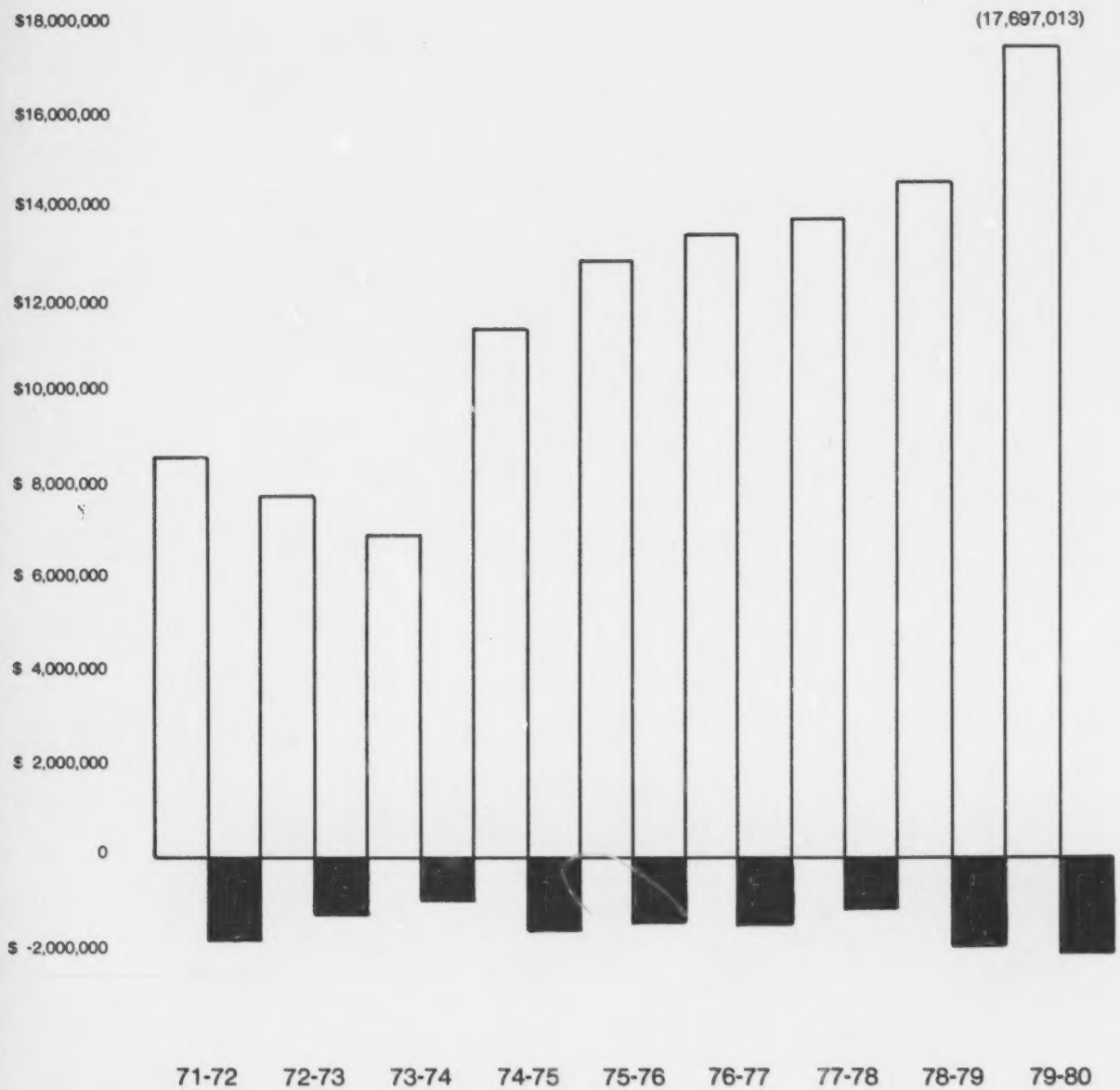


FIGURE M

AUDIT RESULTS REPRESENTING 20 PERCENT OF PERSONAL PROPERTY ACCOUNTS IN EACH COUNTY



Line indicates assessments prior to audits
● indicate increases in assessments as a result of audits
○ indicate decreases in assessments as a result of audits

MOTOR VEHICLE

Rolan Senior, *Director*
Edward Barry, *Asst. Director*

ACCOMPLISHMENTS:

The activities of the Motor Vehicle Division during FY 1979-80 resulted in a wide range of accomplishments and innovations. Examples of our achievements and improvements are:

- The full automation of title issuance procedures. Currently, 1,500 to 2,000 titles are entered each day. With upgraded equipment being installed, we expect to handle an additional 1,000 titles per day.
- The "Motor Vehicle Registration Laws and Regulations" was revised, updated, and indexed, making it easier for everyone to use.
- For the first time, our high school drivers' education classes have audio-visual instruction packages to teach students the requirements for titling and registering their vehicles.
- The International Registration Plan (IRP) has expanded to include 27 states. Therefore, by applying at the Utah Motor Vehicle prorate section, a Utah-based motor carrier may become registered (apportioned) and qualified to operate in any of these states. When the prorate application is entered into the computer, fees are automatically calculated and new cab cards printed. Excellent cooperation between the states involved has been an extra bonus.
- New electronic cash registers not only record revenues, but also list each type of vehicle registered and give a daily audit of decals issued.
- An easily updated procedures manual was written to standardize and streamline the Division's work, and to provide training and reference for employees.
- The new Utah Certificates of Title are computer-printed to conserve man-hours. All vital information on the documents (year, make, model, body type, and VIN) is protected by a clear tape called "Data Guard." Any attempted alterations are easily detected.
- Seven separate registration forms have been replaced by one combined application to reduce errors and save valuable employee time.

PROJECTIONS:

Through fiscal years 1980-82, we anticipate many more accomplishments. Some of our objectives are:

- To issue computer-printed Utah Certificates of Title within one month.
- To add data-capturing devices which feed information directly from our new cash registers into the computer, thereby greatly reducing manual accounting.
- To install automated equipment, as funded, to meet the demands of projected growth.
- To eliminate or combine forms wherever possible in order to reduce office work and expenses, and to improve public convenience.
- To upgrade the salaries of employees to improve morale.

SUMMARY OF TRANSACTIONS FOR FY 1979-80.

Documents Issued:

Duplicate Titles & Duplicate Registrations	107,081,000
Certificates of Title	353,606,000
Registrations	1,305,678,000

Revenues collected from all Motor Vehicle transactions: $26,570,624.43

MOTOR VEHICLE BUSINESS ADMINISTRATION

John Burt, *Director*
Dale Brown, *Asst. Director*

The Motor Vehicle Business Administration is responsible for licensing and regulating all persons, firms, and corporations involved in manufacturing, dismantling for salvage, selling, or distributing motor vehicles which are subject to registration under the Motor Vehicle Act.

This Division works closely with law enforcement agencies and county attorneys to enforce the Motor Vehicle laws. Investigative activities include: inspections of places of business, peace officer inspections, impounded vehicle identification number (VIN) verifications, impounded vehicle sales, consumer complaints, auto theft and fraud. Permits issued include: in-transit, temporary, junk and dismantling. Special plates (dealer, wrecker, transporter, and manufacturer) are also issued through this office.

The current national economic situation has had a tremendous impact on the motor vehicle industry. It has greatly affected many Utah dealers, some to the point of bankruptcy, others to the point of selling their franchises and businesses. In spite of this fact, there have been more dealers going into business in Utah than going out of business. This is reflected by a 3.5% increase in the number of new and used dealers', trailer dealers', and motorcycle dealers' licenses issued during the 1979-80 fiscal year.

Overall motor vehicle sales are down, indicated by about a 10% decrease in temporary permits issued. This fact could possibly account for the 10% decrease in the number of salesmen licenses issued (due to a reduction in sales force by some dealers).

Investigations are up approximately 10% and criminal complaints filed almost tripled. This is usual in a depressed market.

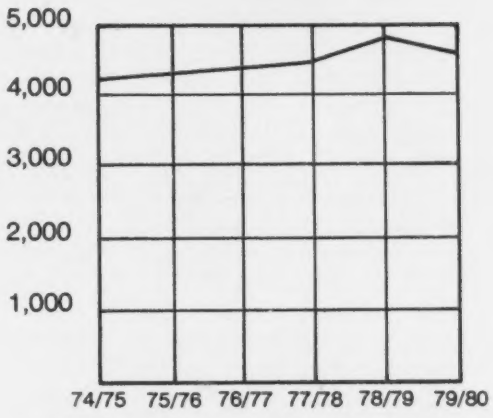
In our previous report, we pointed out that due to inflation and the additional responsibilities delegated to this Division, the present fee schedule was inadequate to fully fund our operations. Fees for salesmen's licenses were subsequently increased from $5.00 to $15.00. This will close the gap significantly but not completely.

Issuance of licenses in 1980-81 is being handled by the Word Processing and Data Processing Divisions. The applications and licenses have been simplified and the operation has proven successful thus far. This change will speed up this annual process and hopefully effect a cost savings.

The control and clearance of temporary permits has been streamlined through the use of computers and Data Processing. We are making progress on the computer programming and look forward to considerable time savings.

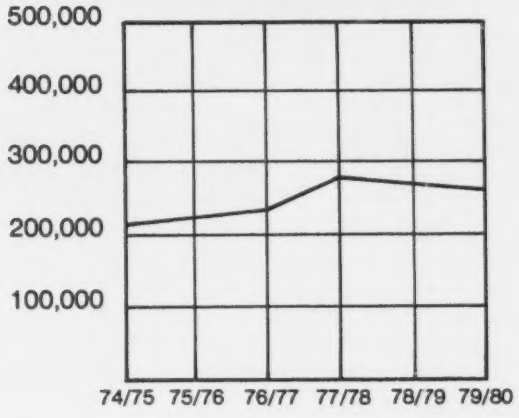
FIGURE N

*LICENSES

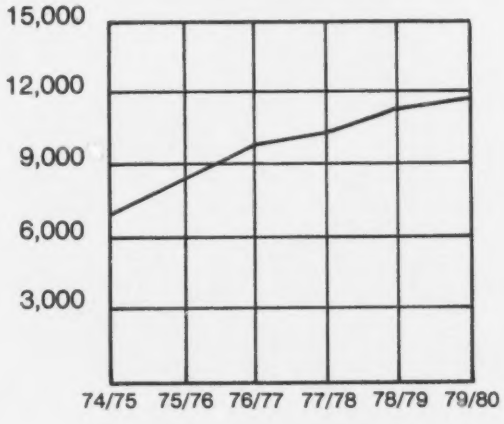


*Salesman licenses account for the decrease. Dealers licenses issued have increased 3½%.

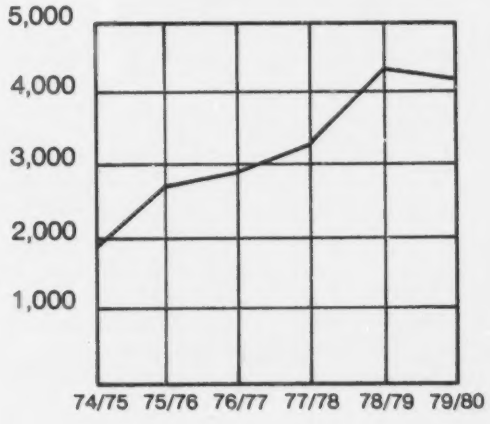
TEMPORARY PERMITS & SPECIAL PLATES



INSPECTIONS



INVESTIGATIONS



WESTERN STATES ASSOCIATION OF TAX ADMINISTRATORS: CONFERENCE 1980

The Utah State Tax Commission sponsored the 1980 conference of the Western States Association of Tax Administrators. Representatives from 14 member states' tax agencies were joined by other governmental officials, attorneys, and businessmen from across the country. Over 360 persons attended. Tax Commission Chairman, Dave Duncan, served as President of WSATA for 1979-80.

Central issues addressed at the general sessions included:

1. The economic outlook for 1980-81.
2. Energy development and taxation. The practicality and equity of tax incentives for energy policy were discussed, as well as the oil windfall profits tax.
3. Trends in property taxation, especially in relation to the railroads.

Section meetings were held for attorneys, income tax, inheritance tax, property tax, sales and use tax, support services, and tobacco tax. Concerns about the future relationship of states and American Indians in regard to taxation were most significant. Other topics included the role of attorneys, income tax reform and relief (especially indexation), application of the uniformity concept in taxing businesses, property tax relief schemes, and property taxes on energy-related industries.

The Association is comprised of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming. These states have joined together out of a recognition of their geographical proximity and the similarity of their economies. WSATA is affiliated with the National Association of Tax Administrators and is a component of the Federation of Tax Administrators.

The purposes of the organization include an opportunity for free discussion, promotion of studies of common problems, the dissemination and exchange of information, training to enhance standards of public service, equalization of tax burdens, consideration of legislation at all governmental levels, and reporting to the U.S. Congress on the effects of federal laws on state's revenues.

UTAH TAXES NOW

On Wednesday, April 9, 1980, the second annual Utah Taxes Now seminar was sponsored by the State Tax Commission and the Utah Taxpayer's Association. Committee members who organized the event are Commissioners Georgia Peterson and Robert Bowen, Jack Olson (Utah Taxpayer's Association), Dr. Charles Lloyd (Department of Education), Jim Thompson (U.S. Steel), Brent Gardner (Utah Association of Counties), and Herschel Hester III (Utah League of Cities and Towns).

The seminar was designed to provide a comprehensive, in-depth presentation of legislation before the Budget Session of the 1980 Legislature. Taxpayers and government officials participated in discussions concerning:

SJR 6
IPP and Taxes (SB 63, SB 67, SJR 6)
Utility Franchise Taxes (HB 10)
School Taxes (HB 96)
Tax Relief Legislation (HB 98)
West Valley City

To handle the excess revenue refund mandated by the 1979 Legislature, our systems development group had to devise a completely new computer system. Soon after the first batch of refund checks was issued, a legal suit challenged the constitutionality of the law (59-26-1). The Utah Supreme Court overruled the District Court and upheld the law as constitutional. Unfortunately, the delay caused final administration of the rebate program to encroach upon the period for auditing income tax returns. Moreover, many taxpayers submitted second rebate claims, fearing that their original applications were destroyed after the District Court's decision.

The computer system processed a master list of approximately 350,000 refund claims and checked for redundancies. About 16,285 possible duplications were edited by the computer, though many were later approved. Auditors checked every filing. Our most conservative estimate is that well over $1,000,000 was trimmed from total claims. The process did cost, however, 11,500 auditing manhours. Audit activities were delayed by over 100,000 phone inquiries. In addition, double shifts of mail personnel, form processors, and key punchers were employed to handle the volume of documents.

Other costs included devising a one-time computer editing system and coordinating the differences in county procedures. The move to combine any future rebates with the usual income tax filing process is most welcome. Substantial savings would result in systems development and personnel costs. The Tax Commission's time and resources would remain devoted to collecting revenues instead of dispensing them. Significant savings could also be effected on the administration of the "Gotcha" program (which applies refunds to delinquencies). Moreover, the unique individual identification on income tax returns would serve to improve internal control and prevent abuse.

In spite of the many difficulties and costs, the majority of rebates were processed rapidly. Below is a breakdown of the refunds processed:

Type of Refund	Number Processed	Amount Processed
General homeowner's	260,612	$36,710,000
General renter's	71,600	7,228,000
Senior citizen renter's	5,600	909,353
Mobile home owner's	9,600	964,870
Senior citizen mobile home owner's	1,000	200,661
Senior citizen homeowner's**	13,532	1,884,000
Total	361,532	47,896,884

**Senior citizen homeowner's credits were taken directly off the property tax notices by the individual counties.

SYSTEMS DEVELOPMENT GROUP AND THE TAX MANAGEMENT SYSTEM

Barry Conover, *Systems Analyst*

The growing concurrence over tax and expenditure limitation has emphasized the necessity that the revenue producing arm of the State be properly equipped to collect the correct and legal amount of tax monies. External factors, such as Utah's economic and population growth, have caused significant increases in the volume of tax returns and other documents handled by the Tax Commission. Demands for information are rising while tax laws become more complex. Thus, the need for internal control improved records, greater access, and speedier handling has become indisputable. The Commission's increasing workload is clearly illustrated on the cover of this report.

We have also faced demands from the Administration and the Legislature for new services. One such new service, the rebate program, would have been impossible without the improvements we have made so far.

Previous increases in our workload were handled by hiring more employees. But the need (and public demands) for the State to economize required a new approach; moreover, manual procedures in many of our processes became progressively less effective. Systems developments to date have not only increased productivity (**up 16%** since 1977-78 after a previous decline), but have also allowed a substantial reduction in employee hours (down 4% over the same period). While efficiency has been improved, faster revenue depositing has raised the State's interest income.

In 1978, the Tax Commission turned to the consulting firm of Deloitte, Haskins and Sells who devised a dynamic new program: the Tax Management System (TMS). While the Commission had added automated techniques in the past, methods had not been consistently applied or linked into a comprehensive master plan. TMS is more than a computer program, it is a reorganization of responsibility affecting virtually every facet of Commission work.

Through the productivity increases described above, we expect an annual return on investment of between 14% and 23% (about $2.7 to $6.9 million above developmental costs; see Figure O). Haskins' and Sells' March 1980 report describes the upcoming five-year phase-in as designed to "obtain the most benefit in the least time for the investment . . . allowing the Tax Commission to assimilate the changes in a more orderly manner and permitting the project to exhibit accomplishment periodically, thus maintaining accountability for the funds invested . . . Benefits derived from the system will essentially put the development on the basis of paying for itself as it progresses." Indeed, so far, the Commission has been able to fund the program through existing appropriations. Our Systems Development Group forecasts completion of the project in 1984.

Another of the group's projects is a new data processing network for the Motor Vehicle Division. The innovative system will have greater capacity to accommodate a myriad of subsystems. A special feature, the Automatic Encoding System ("VINA"), places each vehicle registered into a detailed classification. The resulting unique identification will serve law enforcement, property assessment, and registration functions. Moreover, accumulating responsibilities of data processing will be met with efficiency and accuracy.

FIGURE O

COST/BENEFIT ANALYSIS OF TMS IN 1984

	From	To	From	To
Estimated Annual Revenue Benefit				
Collections	$ 450,000	$ 900,000		
Auditing	275,000	550,000		
Compliance	833,000	1,665,000		
	$1,558,000	$3,115,000		
Estimated Annual Operational Benefit				
Reductions in Staff	$ 800,000	$1,100,000		
Data Processing Cost Reductions	215,000	215,000		
	$1,015,000	$1,315,000		
Total Annual Ongoing Benefits			$2,573,000	$4,430,000
Estimated Annual Operational Cost Increases				
Additions in Staff	$ 575,000	$ 700,000		
Data Processing Cost Additions	130,000	160,000		
Total Annual Ongoing Costs			$ 705,000	$ 860,000
Net Annual Ongoing Benefit (As of year 5)			$1,868,000	$3,570,000
Estimated Development Costs				
Software Development	$2,100,000	$2,800,000		
Equipment	800,000	1,000,000		
TOTAL DEVELOPMENT COSTS (As of year 5)	$2,900,000	$3,800,000		
Compound Annual Rate of Return			14.1%	23.0%

AN ANALYSIS OF DECLINING REVENUES

Douglas Macdonald, *Tax Economist*, September 30, 1980

Major Fund Summary

Revenues collected for FY 1979-80 indicate that Governor Matheson's move to cut back state agencies' expenditures was a necessary step towards balancing the budget. Receipts to the State's three major funds (general, uniform school, and transportation) were about $31 million less than the 1979 Legislature anticipated. (See Figure P.) Revenues for both the Uniform School Fund and the Transportation Fund fell short of projections made by the 1979 and 1980 Legislatures. Deficits may occur in both funds if expenditures rise to originally anticipated levels. Total receipts from all three major funds increased from $731.6 million to $824.5 million, an increase of 12.7 percent. However, after adjustments for inflation, total receipts (an indicator of Utah's economy) were relatively flat during 1979-80. In September 1980, the State Treasurer floated $30-40 million worth of long-term bonds to cover deficiencies in cash flow and working capital.

Uniform School Fund

At the end of the 1979-80 fiscal year, individual income taxes were $7.6 million short of the 1980 Legislative target of $272.9 million. The $265.3 million collected represents a 17.0 percent increase over FY 1978-79 receipts. Growth in net receipts for the prior two years were respectively, 19 and 20 percent. The slowdown in income tax receipts reflects the increase in federal taxes deducted from State taxable income. Federal taxes paid by Utahns in 1979 increased by about 20 percent due to changes in federal tax laws and inflation-induced "bracket creeping." Significantly, the difference between growth in individual income taxes and the inflation rate during 1980 is the narrowest it has been in the decade (except during FY 1973-74 when our income tax structure was married to the federal structure.) See Figure Q.

General Fund

With interest income at an all-time high, General Fund receipts grew 12.9 percent over the previous year. Cigarette and tobacco taxes grew by 24.7 percent due to the increase in tax from 8¢ to 10¢ per pack. Inheritance taxes grew by 19.1 percent. In addition, net mine occupation taxes increased by 16.6 percent. This is a net figure due to the Navajo nation's protest over oil and gas occupation taxes in San Juan County (amounting to $947,062 in FY 1978-79 and $653,524 in FY 1979-80). Of the $9.8 million net receipts, $6.1 million was derived from oil and gas production while $3.7 million was tax on metal extraction.

The 10 percent growth in state sales and use taxes was the lowest in the past decade. Moreoever, it was the first time in ten years that sales tax growth was less than inflation. The erosion of Utah's disposable income by inflation and higher federal taxes was largely responsible for the decline. The decline in real disposable income, coupled with record high interest rates, triggered the slump in new car and truck sales and housing starts. In addition, higher gasoline prices channeled spending towards goods not subject to sales tax such as gasoline and public transportation, and away from the normal pattern of durable and non-durable products. The trend, if not reversed by national and international events, will certainly place a long-term burden on the State government to meet its revenue needs during the 1980's.

Transportation Fund

Significant real dollar reductions in every component of the Transportation Fund pose the question: Can State transportation needs be met by a tax system based on fixed, user taxes and registration fees? These taxes and fees not only fail to rise with inflation, but also, in the instance of motor fuel tax, actually decine in response to price increases.

Total revenues flowing to the Transportation Fund dropped from $91.7 million in FY 1978-79 to $89 million in FY 1979-80, a 2.9 percent drop. When one factors inflation into this reduction, the real percentage decline is approximately 15 percent. Revenues from consumption of gasoline or diesel fuel dropped from $71.3 million to $71.0 million. Revenues from car and truck registration increased from $16.1 million to $16.7 million. Unfortunately, because the fund was in a deficit position for much of the year, interest from tax receipts dropped from $2.7 million in FY 1978-79 to nothing in FY 1979-80.

FIGURE P

COMPARISON OF 1979 AND 1980 LEGISLATIVE REVENUE ESTIMATES AND ACTUAL REVENUES FOR FISCAL YEAR 1979-80
(In Million Dollars)

	Actual '79-'79	1979 Legis. Forecast for FY 1979-80	1980 Legis. Estimate FY 1979-80	Actual FY 1979-1980	Diff. from 1979 Forecast	Diff. from 1980 Estimate
GENERAL FUND						
Sales & Use Tax	$292.5	$341.9	$321.5	$320.5	$(21.4)	$(1.0)
Liquor Profits	13.0	14.0	14.5	15.0	1.0	0.5
Ins. Prem. Tax	13.4	15.5	15.5	14.7	(0.8)	(0.8)
Beer, Cig., Tob.	10.1	12.3	12.3	12.4	0.1	0.1
Interest Income	10.2	10.5	12.8	19.1	8.6	6.3
Mine Occ. Tax	8.4a	9.5	9.3	9.8a	0.3	0.5
Inheritance Tax	1.4	.7	1.5	1.7	1.0	0.2
Other Lic., Fees	8.1	8.5	8.9	8.9	0.4	.0
Tax Relief (Prop.)	(1.2)					
Total	$355.9	$412.9	$396.3	$402.1	$(10.8)	$5.8
Unif. School Fund						
Indiv. Income Tax	226.8	280.4	272.9	265.3	(15.1)	(7.6)
Corp. Franch. Tax	32.9	35.0	36.8	40.4	5.4	3.6
School Land Inc.	8.9	8.0	9.6	10.7	2.7	1.1
Int. on Rev. Shar.	0.7	0.6	0.2	0.0	(0.6)	(0.2)
Excess Prop. Tax	0.9	0.0	1.8	1.8	1.8	.0
Fed. Rev. Sharing	13.4	14.5	14.3	14.0	(0.5)	(0.3)
Other	0.4	2.2	0.5	0.5	(1.7)	.0
Total	$284.0	$340.7	$336.1	$332.7	$(8.0)	$(3.4)
Transportation Fund						
Motor Fuel Tax	61.4	69.0	60.5	60.5	(8.5)	.0
Special Fuel Tax	9.9	10.9	10.8	10.5	(0.4)	(0.3)
Motor Vehicle Reg.	10.3	11.1	10.7	10.4	(0.7)	(0.3)
Other Truck Reg.	5.8	7.1	6.8	6.3	(0.8)	.5
Drivers Licenses	1.6	2.0	1.8	2.0	.0	.2
Interest	2.7	2.0	.0	.0	(2.0)	.0
Total Transport.	$91.7	$102.1	$90.6	$89.0	$(12.4)	$(0.9)
Total Major Funds	$731.6	$855.7	$823.0	$824.5	$(31.2)	$(1.5)

[a]Excludes protested receipts - $947,062 in FY '79 and $653,524 in FY '80.

FIGURE Q

MAJOR SOURCES OF STATE TAX REVENUE: GROWTH RATES FROM PRIOR YEARS

Fiscal Year	Sales & Use Tax Growth Rates Over Prior year (Current Dollars)	Individual Income Tax Growth Rates Over Prior Year (Current Dollars)	Motor Fuel Tax Growth Rates Over Prior Year (Current Dollars)	Inflation Rate - CPI December Over Prior Year
1971	11%	13%	8%	5%
1972	16	20	9	3
1973	15	19	8	3
1974	14	2*	-3	9
1975	12	17	1	12
1976	13	34*	7	7
1977	15	13	5	5
1978	16	19	7	7
1979	14	20	26*	6
1980 Est.	10	17	-2	13

*Significant Tax Rate Changes

PRELIMINARY FINDINGS BY THE GOVERNOR'S INTERMOUNTAIN POWER PROJECT (IPP) TASK FORCE

Douglas A. Macdonald, *Tax Economist*

In the spring of 1980 Governor Scott M. Matheson appointed a 19 member, joint, legislative-executive task force to study the State of Utah's proposed tax treatment on legal or administrative entities created by the Interlocal Cooperation Act as amended by the 1980 session. Specifically, the only viable entity which would qualify under this designation is the proposed Intermountain Power Project (IPP).

Background on IPP

IPP is owned by the Intermountain Power Agency (IPA), the agency created by the Utah Interlocal Cooperation Act. IPA, comprising 23 Utah municipalities is a subdivision of the State of Utah and will issue tax-exempt revenue bonds to finance the project. IPP will be constructed in Millard County and will contain about 3,000 megawatts of productive capacity.,

Six municipal power companies in California will receive 57.9 percent of IPP's power, while Utah Power and Light will purchase 25.0 percent of IPP's generated electricity. The remaining 17.1 percent of IPP electricity will be used by IPA, i.e. the 23 Utah municipal and rural electric company owners.

Related Legislation

Senate Bill 67, Interlocal Co-operation Act Modifications, which passed during the 1980 Legislature, provides that an entity created under the original act which sells electricity to energy suppliers (who are not Utah subdivisions) shall pay an annual fee in lieu of ad valorem property tax. This bill also provides that entities such as IPA are subject to state sales and use taxes. Furthermore, according to SB 67, IPA must assume financial responsibility and make alleviation payments for direct impacts to state and local governments.

The 1980 Legislature also enacted Senate Bill 63, Gross Receipt Tax Act, stipulating that entities similar to IPA would be subject to an "in lieu excise tax" on gross receipts. The rate graduates from 2 to 6 percent of gross receipts. A taxpayer pays 2 percent on gross receipts greater than $10 million but less than $1 billion; 4 percent on receipts over $1 billion and less than $5 billion; and 6 percent on receipts over $5 billion.

Staff Report—Legal and Economic appraisal of Utah Tax Treatment of IPP

At the request of the IPP Task Force, Legislative General Counsel wrote a legal opinion (80-020) which reads in part:

> [T]here seems to be a basis for treating that taxpayer (IPP) differently than other taxpayers engaged in similar activities, and that being the case, we believe our State Supreme Court, if called upon, would find the Act to be consistent with the guarantee of equal protection provided by both Article I, Sec. 24, Constitution of Utah, and the Fourteenth Amendment to the United States Constitution."

The basis cited by the Legislative General Counsel for treating IPP differently is that the Legislature, by bestowing upon IPP the status of a political subdivision, assists IPA's capital financing with tax exempt revenue bonds.

In contrast, the Economic and Statistical Unit of the State Tax Commission in evaluating the tax treatment of IPA on the basis of economic principles found that with respect to principles of tax justice, Utah's proposed tax treatment of IPA, by violating the principle of horizontal equity, may be discriminatory. (The principle of horizontal equity purports that taxpayers in similar circumstances should not receive differential tax treatment.)

Comparing the taxes paid by the Intermountain Power Project on an annual basis with three similar joint, public and private projects, the average state and local taxes per billion watts or gigawatt is $9.09. See Figure R. IPP's projected state and local taxes per gigawatt in 1980 dollars are $14.60, or 60.5 percent higher than the average tax burden on the joint public, private projects located in Arizona, Washington and North Carolina.

IPP fares no better when it is compared to private or joint-private power projects. The Four Corner's Project in New Mexico and the Jeffery Energy Center in Kansas, both coal fired, large projects will pay state and local taxes of $4.83 and $7.32 per gigawatt, respectively. See Figure R. Had New Mexico's electrical generation tax not been struck down, New Mexico's direct state and local taxes from Four Corner's would still have only been $5.25. Even Utah Power and Light's $9.42 of taxes per gigawatt are substantially less than IPP's treatment. Compared to the average tax for private or joint private power projects ($7.19 per gigawatt), IPP's tax rate will be 105.3 percent higher.

The report presented to the IPP Task Force by the Economic and Statistical Unit concluded that:

"In combination, however, Utah's imposition of both the ad valorem and gross receipts tax as well as sales and use taxes on equipment purchases places Utah's direct state and local taxes per gigawatt head and shoulders above tax treatment of other relatively similar projects. In fact, there is a statistically significant difference between tax burdens of similar power projects and IPP. The only mitigating circumstance to the seemingly horizontal inequity is that 62 percent of IPP's electricity will be sold out of state. However, the joint-private New Mexico Four Corner's Power Project sends 85 percent of its electricity out of state with a tax burden one third of the one placed on IPP. It seems clear, therefore, that Utah's proposed tax treatment of IPA, by violating the principle of horizontal equity, is discriminatory."

IPP Task Force Recommendation

Based on the contrasting findings presented by Legislative General Counsel and the Economic and Statistical Unit, the IPP Task Force deliberated and formed the following recommendation to Governor Scott M. Matheson:

> "That the Intermountain Power Project Task Force, having been presented with information in the form of a report from the staff dated August 18, 1980, which report suggests that the present tax structure imposed upon the Intermountain Power Project may be excessive, and having given extensive consideration to the issue, hereby resolves and recommends that the 1981 session of the Utah State Legislature take appropriate action to assure that the tax treatment given the Intermountain Project is fair and equitable."

ESTIMATED (IN LIEU) TAXES PAID BY LARGE POWER PROJECTS
(Dollars in Millions)

FIGURE R

	Project Paid (In Lieu) Taxes to Producing State						Total Taxes & Payments	Available Productive Capacity (Gigawatts)	Taxes & Payments Per Gigawatt	Electricity Used in Producing State
	Property Taxes	Sales & Use Taxes	Gross Receipt Taxes	Severence Taxes	Corporate Income Tax	Impact Alleviation Payments				
Joint, Public & Private Projects										
1. Salt River Project (SRP) Arizona	$27.0*	$ 0	$ 0	$ 0	$ 0	$ 0	$27.0	2.465	$10.95	90%
2. Washington Public Power Supply System (WOOPPSS) Projects 3, 4 & 5	0	23.7**	0	0	0	0.7	24.4	3.720	$ 6.55	68%
3. North Carolina Municipal Power Agency (NCMPA) North Carolina	6.8	0	4.4	0	0	0	11.2	1.145	$ 9.78	75%
4. Intermountain Power Project (IPP) Utah	25.3	4.5	14.0	0	0	?	43.8	3.000	$14.60	38%
Joint-Private Power Projects										
5. Jeffery Energy Center*** Kansas	12.7	3.0	0	0	4.2	0	19.9	2.720	$ 7.32	92%
6. Four Corner's Project New Mexico	2.4	0.4	1.2	4.7	1.8	0	10.5	2.172	$ 4.83	15%
7. Utah Power & Light - Utah System	18.2	1.0	0	0	1.8	0	21.0	2.230	$ 9.42	100%

*Generating and transmission facilities only; utilities tax rate at 2.6% of full cash value; assessment level at 50%.
**Sales and Use tax on labor and materials used in construction. Amortized over 35 years at 9.5 percent.
***Assumes projects 3 & 4 are operational.

GOVERNOR'S POLICY SPEECH ON TAX PROSPECTS FOR THE EARLY '80'S

(The following are excerpts from Governor Scott M. Matheson's speech, April 9, 1980, before the second annual Utah Taxes Now Seminar.)

Baseline projections of the State Planning Coordinator's Office indicate that in 1990, there will be 500,000 more Utahns than currently live in our State. High development scenarios [see Figure S] which might include the MX, oil shale development in the Uintah Basin, and major coal developments, would push that increase to 670,000. This increase in population will provide some increased revenue, but it will also cause a tremendous increase in service needs, in two particular areas. A large part of this population increase will be in school-age children which would cause a doubling of our budget in education over a 10-year period. In addition, the influx of people, particularly in the rural areas, will impose an extreme strain on local government's capacities to provide the up-front water, sewer, housing, and other infrastructure needs of that population. These pressures are occurring at a time the federal government is cutting back state revenue sharing . . . and reducing grants to state and local government . . .

If we take this scenario as a possibility, and I certainly do take it as a possibility, let's look at its potential consequences on the three major tax sources which account for 80 percent of the State's general revenue. In the motor fuel area, declining per capita consumption will probably mean an absolute decline in motor fuel revenue. At the same time, highway inflation costs are running at 15 to 18 percent or more a year. Thus, without increasing the motor fuel tax, or shifting general fund monies into the transportation area, we can expect a deterioration in the quality of our highways and a delay in the completion on the interstate system.

Our sales tax, which through the 60's and 70's had been increasing at a rate faster than the growth of personal income because of the increased use of credit by Utah citizens, will probably grow more slowly, perhaps at a rate 3 percentage points below the increase in growth of personal income in the State. Thus, while we might expect a growth in personal income in Utah of 13 to 14 percent during the next two years, the sales tax growth may only be a rate of 10 to 11 percent.

In the income tax area, we should see generally healthy increases, but at a rate not as high as during the late 70's because of the increasing deductions. In fact, we may see the income tax increases falling below the combination of inflation and population increases.

At the same time that our three major tax sources are experiencing difficulty, the State is experiencing two pressures on the expenditure side. Many programs now funded with federal dollars will require a larger share of State funds as those federal dollars are reduced or eliminated. Some of these programs will have to be eliminated. But many, such as alternatives to institutional care for the elderly and youth offenders, have demonstrated their cost-effectiveness and must be funded with general funds. Yet, until now, we have used many of the federal grant and aid programs for the innovative programs.

Secondly, we will have the pressures to meet our expanding population, particularly for educational and local community infrastructure neds.

What, then, is the responsible attitude for us to take, with respect to tax relief and tax reform, during this period of economic uncertainty with the scenario that I have just oulined? It would be nice to be able to say that we can have everything, that we can have tax relief, tax limitation, and still provide the necessary services to the citizens of our State . . . It would be easy, perhaps, for all of us who are placing ourselves before the public for election or re-election to ignore the possible economic events that may impact on our tax structure.

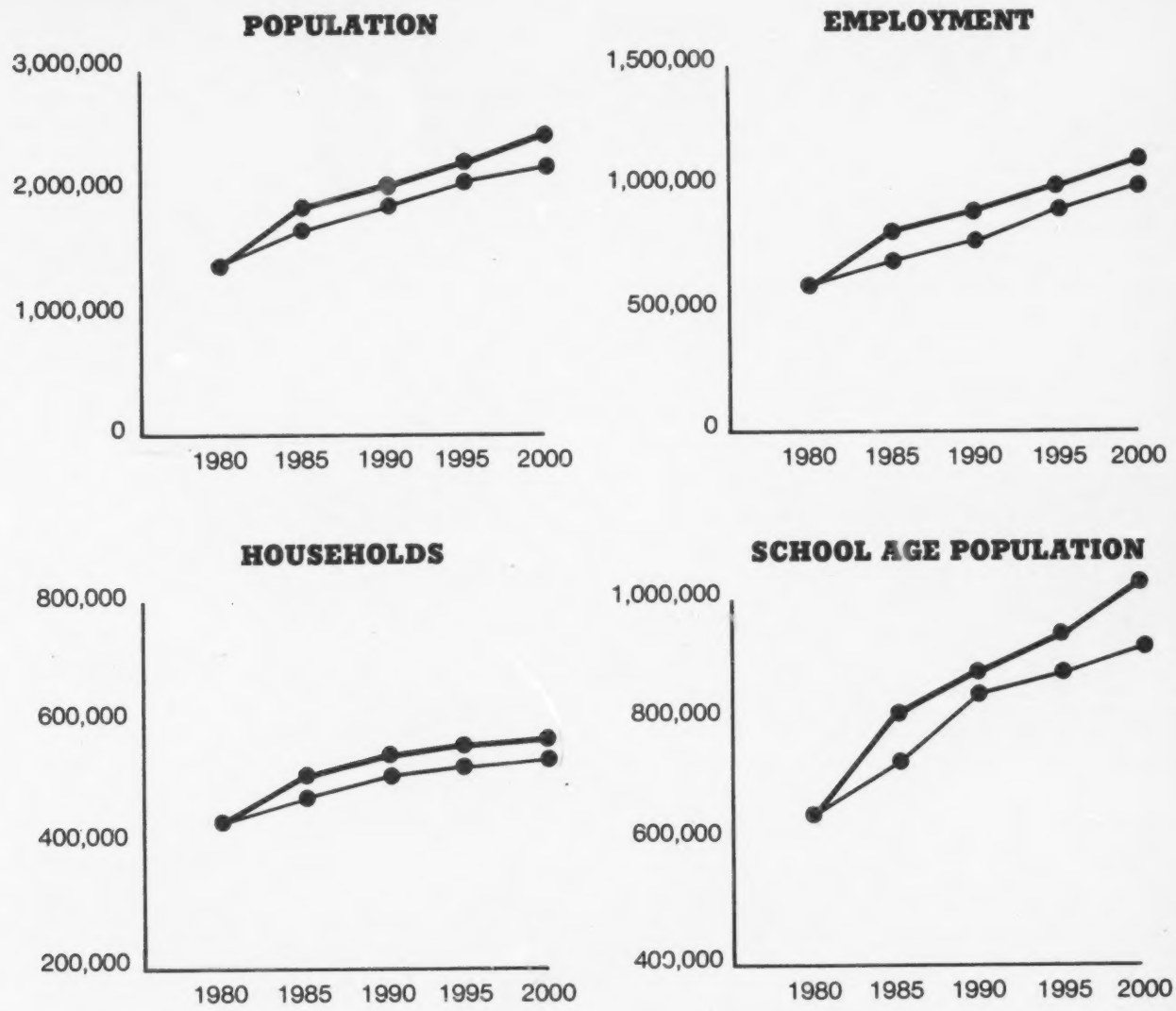
But, I believe we must face the fact that the property tax program adopted by the Legislature just last January may have to be modified, reduced or perhaps eliminated, to meet the revenue shortfalls and economic concerns that I have outlined. I think it is too early at this point [April, 1980] to take a definitive position on either of these issues.

In January, the economic situation led me to suggest that we could not afford a large property tax relief program and also remove the sales tax from food. Today, with federal budget cuts, credit controls, and a deteriorating economy, I question whether we can afford either program. Clearly, we must change our thinking to respond to the changing economy. If we insist on major tax relief, it will likely come at the expense of important state or local services. These are the tough future choices for the people of Utah and their elected officials.

BASELINE AND HIGH GROWTH DEVELOPMENT SCENARIOS

High Growth Scenario
Baseline Scenario

FIGURE S



	1980	2000		Growth Rates 1980-2000		Difference Between Scenarios in Years 2000
		Baseline	High Growth	Baseline	High Growth	
Population	1,424,700	2,274,400	2,441,400	60%	71%	7%
Employment	611,400	1,056,500	1,132,500	73%	85%	7%
Households	436,000	742,300	789,900	70%	81%	6%
School Children	648,700	974,900	1,034,100	50%	59%	6%

TAX REVISION COMMITTEE RECOMMENDATIONS

The Governor's Tax Revision Study Committee completed its report for 1979 and 1980 and submitted recommendations to Governor Matheson for his consideration. David L. Duncan, chairman of the State Tax Commission, serves as chairman of this study committee. The Governor intends to have the committee continue its work.

Below is a summary of the committee's recommendations and the relevant 1979 and 1980 legislative action. Those measures not enacted will be reintroduced in 1981. (It should also be noted that the Tax Commission will submit its own requests for legislative changes. These measures will be of a housekeeping nature, needed to clarify and standardize specific provisions. Concerned will be Motor Vehicle, Auditing, Collections, and Local Valuation Divisions.)

TAX REVISION STUDY COMMITTEE

FIGURE T

TAX COMMITTEE RECOMMENDATION				LEGISLATIVE ACTION			
1979 & 1980	Committee Recommended		Assigned for		Year Introduced and		
Title	Change	No Change	Additional Study	None	Bill Number	Defeated	Passed
INCOME TAX & CORPORATION TAX							
1. Nonresident Taxable Income	X				1979 (SB 86)		X
2. Retirement Credit on Income Tax	X				1979 (SB 9)		X Amended
3. Standard Decution of $2,000	X			X			
4. Corporate Tax Return Extensions	X				1979 (SB 30)		X
5. Late Filing Penalty of $50	X			X			
6. Tax Rate for Head of Household	X				1979 (SB 32)		X
7. Income Tax Return Filing Requisite		X			1979 (SB 12)	Withdrawn	
PROPERTY TAX	X			X			
8 Aircraft Registration Law							
9. State Supported Voted Leeway be Abolished	X				1979 (HB 334)	X	
10. Limitations on Amount & Collections	X				1979 (SB 31)		X
11. Extension of Tax Revenue Limitations	X				1979 (HB 231)		X
12. Veteran's Exemption	X				1980 (SJR 6)		X
13. Technical Services Funding by Counties	X			X			
14. Mailing of Valuation Notices	X			X			

1979 & 1980	TAX COMMITTEE RECOMMENDATION			LEGISLATIVE ACTION			
	Committee Recommended		Assigned for Additional Study		Year Introduced and		
Title	Change	No Change		None	Bill Number	Defeated	Passed
15. Local Assessment & Collection of Taxes	X			X			
16. Assessment of Minimum Fee by State Treasurer for Assessment & Collection of Taxes	X			X			
17. Grantees' Name & Address be Required on Recorded Real Estate Transfers	X			X			
18. Legal Descriptions Recorded—Metes Bounds (Minus Descriptions by Lot Number Already Described by Metes & Bounds)	X			X			
19. 30-Day Notice by County Recorder to County Assessor of Property Ownership Changes	X			X			
20. Property Definition by Use for Statistical Purposes by Tax Commission	X						
21. Amendment to 59-4-1 (Includes Boats & Other Recreational Vehicles)	X			X			
22. Tax Proposals	X				1980 (HB 98)		X (Substituted Income Tax Credit)
23. Fee in Lieu of Ad Valorem Tax	X				1980 (SJR 6)		Amended Out
24. Circuit Breaker	X				1979 (SB 316)		
					1980 (SB 43)		X
25. Liens on Personal Property (Return Within 60-Day Period)	X			X			
SALES TAX							
26. Personal Property Affadavit (Return within 60 day period)	X			X			
27. Removal of Sales Tax on Food	X				1979 (SB 246)	X	
28. Severance Tax		X			1979 (HB 207)	X	
29. Sales Tax Exemption on Personal Property Shipped Outside of State			X 1981 Sess.		1979 (HB 146)	X	
30. Prepaid Sales Tax	X					X	
31. Sales Tax on Food for Higher Education Institutions		X		X			
32. Transient Room Tax		X		X			
33. Exemption on Pollution Control Facilities	X				1980 (SB 18)		X

TAX COMMITTEE RECOMMENDATION				LEGISLATIVE ACTION			
1979 & 1980	Committee Recommended		Assigned for		Year Introduced and		
Title	Change	No Change	Additional Study	None	Bill Number	Defeated	Passed
TRANSPORTATION AND OTHERS							
34. Agricultural Code Revised & Updated—Fee Change	X				1979 (HB 87)		X
35. Eliminating State Participating in Beef, Sheep, Turkey & Dairy Promotion	X			X			
36. Radio Operators License Fees	X			X			
37. Utah State Bar Licensing Fee	X			X			
38. Repeal of Cigarette License Fee	X				1979 (HB 16)	X	
39. Reflectorized Motor Vehicle Registration Plates		X		X			
40. Civil Case Filing Fees	X			X			
41. Statutory Tax Limitation	X				1979 (HB 303)	X	
42. In-Depth Study of VAT (Value Added Tax)			X				
43. Studded Tire Tax (Repeal)	X			X			
44. IPP	X				1980 (SB 58)		X
					1980 (SB 63) (SB 67) (SJR 6)		(With Gross Receipts Tax)
45. Elimination of Tax Exemption on Governmental Properties	X				1980 (SJR 6)		On Ballot (11/80)
46. Motor Vehicle Related Fees & Taxes	X				1980 (SB 22)		X
47. Drivers License	X				1980 (Sb 25)		X Ammended
48. Motor Vehicle Salesmen Fee	X				1980 (SB 22)		X
49. Constitutional Tax Limitation		X			1979 (HJR 25)	X	
		X			1980 (HJR 24)	X	
50. Health Insurance Premium Tax (Repeal)	X			X			
51. Tax Commission Study on Constitutional Amendmend Providing Classification Assessment Ratios of Property for Legislature			X				
52. Study of University Hospital by Legislative Committee			X				
53. Concessions Definition Clarification	X			X			
54. Public Education Professional Practice Revenue be Directed to Uniform School Fund	X			X			

Tax Committee Recommendations Summary

Recommended Change - 44
Recommended No Change - 6
Recommended Further Study - 4

Legislative Action Summary

No Action Taken - 25
Bills Passed - 20
Bills Defeated - 8
Bills Withdrawn - 1

SJR 6:

The Tax Article Revision was defeated on the November ballot. It proposed to allow: exemption of primary residences and tangible personal property; taxation of local government property outside geographical boundaries; exemption of livestock; clarification of non-profit exemptions; removal of limits on State school funding; and the State to share its revenues with local governments.

SB 67:

The Interlocal Co-operation Act was altered to provide that entities formed under the Act, which own and sell certain energy related capacity, shall pay a fee in lieu of ad valorem property taxes to the local jurisdiction once such projects are complete. SJR 6 would assure the constitutionality of SB 67. Project entities are financially responsible for direct impacts they impose upon local jurisdictions.

SB 63:

A graduated gross receipts tax is imposed upon corporations, like IPP, which are not required to pay income or franchise taxes, or that do not declare dividends. The first 10 million of gross receipts is exempted.

SB 43:

The amount of household income of circuit breaker claimants was increased from $7,000 to $9,000.

HB 98:

An income tax credit is provided to qualifying homeowners (18% of property taxes with a minimum of $100 and a maximum of $300 for 1980) and renters ($65). The 1979 credit program is repealed in order to replace a separate rebate filing with a tax credit.

SB 16:

The county assessors are required to apportion the assessment of private and exempt carriers, as well as contract carriers, for the rolling stock used in interstate commerce.

HB 49:

Interest on delinquent personal property taxes is now imposed.

SB 80:

A uniform rate of 12% per annum interest is imposed on all delinquent taxes.

HB 61:

A deduction of estimated deferrals and abatements is allowed when calculating the millage level imposed on the assessed value of property.

SB 10 and SB 11:

The Gasohol Facility Depletion Allowance Act and the Gasohol Motor Fuel Tax Reduction Act were designed to encourage production of alcohol fuels in Utah. SB 10 allows a company to reduce its net income by one-third when calculating franchise tax liability. SB 11 provides a reduced tax of four-cents per gallon on Utah produced gasohol through 1985.

SB 38:

Provides a tax credit for the installation of solar, wind, or hydroenergy systems. The .ate is 10% of installatiion costs, up to $1,000 against individual income taxes or $3,000 againse corporation franchise taxes. Valid through 1985.

SB 18:

Extends the sales and use tax exemption for pollution control equipment through 1985.

SB 15:

An individual may contribute a portion of his or her state income tax refund for the preservation of nongame wildlife resources.

SB 31:

The state and its subdivisions reserve their rights to tax private business and property located on Federal lands. The act's significance is particularly great if the MX missile project becomes a reality.

SB 22:

Special fuel permit holders will no longer pay special fuel taxes at the time of sale. All special fuel taxes will be collected on an ex-tax basis.

APPENDIX A

TABLE 1
SUMMARY OF EXCISE TAX COLLECTIONS — NET — FISCAL YEARS 1971 THROUGH 1980

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
Individual Income Tax	$ 61,883,516	$ 74,096,483	$ 88,546,711	$ 90,032,358	$104,919,366	$140,561,916	$158,268,002	$183,893,615	$225,955,596	$265,327,485
Corporation Franchise Tax	11,127,260	12,691,054	29,620,635	20,173,183	18,002,679	24,501,925	24,866,694	29,448,490	32,874,065	40,378,239
Cigarette and Tobacco Tax	5,764,405	6,232,494	6,458,595	6,916,797	7,069,584	7,504,408	7,712,867	8,003,201	8,242,742	10,270,092
Inheritance Tax	3,593,586	2,816,947	3,565,540	3,669,012	3,784,893	3,460,538	5,564,283	4,054,945	1,423,243	1,694,934
Insurance Tax	5,064,923	5,591,097	6,327,153	6,976,078	7,520,415	8,384,435	10,098,434	11,917,410	13,452,007	14,718,258
Mine Occupation Tax	4,576,494	3,830,829	3,801,382	5,033,602	5,769,461	11,258,648	8,489,036	8,446,277	8,423,221	9,821,081
Sales and Use Tax (State)	101,236,304	117,686,126	135,864,153	149,442,237	173,736,847	194,799,068	225,793,595	257,988,280	288,602,629	320,453,903
Motor Fuel Tax	35,207,994	38,223,558	41,124,133	39,971,348	40,484,784	43,514,958	45,694,373	48,808,152	61,371,556	60,451,305
Motor Vehicle Reg. Fund	7,215,915	8,112,040	8,991,819	10,488,809	8,903,180	8,915,065	9,254,984	9,831,087	10,335,951	10,356,151
Special Fuel Tax	3,677,912	4,398,081	5,141,349	5,667,002	5,753,299	6,240,646	6,865,182	7,391,145	9,851,605	10,469,670
Uniform Local Sales and Use Tax	12,402,057	14,369,001	16,604,886	19,036,945	21,735,782	33,333,154	42,148,484	49,177,918	55,949,450	62,736,929
Local Transit Auth. Tax	-	-	-	-	1,383,395	7,707,244	19,560,527	11,170,144	12,807,371	14,324,414
All Other State & Local Taxes Collected (Net)	10,179,516	12,452,187	13,988,372	12,676,729	14,107,523	15,596,834	18,204,307	20,712,892	28,618,013	26,945,019
TOTALS	$261,929,882	$300,499,897	$360,034,728	$370,084,100	$413,171,235	$505,778,839	$572,520,768	$655,843,556	$757,907,449	$847,947,488

TABLE 2 (Cont.)

Source and Distribution	1979 Gross Collections	1979 Refunds and Adjustments	1979 Net Available for Distribution	1980 Gross Collections	1980 Refunds and Adjustments	1980 Net Available for Distribution	Absolute Increase or (Decrease)	Percentage Increase or (Decrease)
Trust and Agency Fund:								
Car and Bus Tax	$ 926,021	$ 3,655	$ 922,366	$ 904,649	$ 2,333	902,316	$ (20,050)	(2.2)
Firemen's Pension Fund	928,010	-	928,010	1,093,927	-	1,093,927	165,917	17.9
Cash Bonds (Sales, Special Fuel, Withholding, Ad Valorem)	159,732	119,108	40,624	183,518	260,240	(76,722)	(117,346)	(288.8)
Tax Commission Suspense	(25,796)	55,973	(81,769)	58,463	77,883	(19,420)	62,349	76.2
Combined Injury & Benefit Fund	1,707,486	-	1,707,486	2,025,542	-	2,025,542	318,056	18.6
Boat Fuel Tax	377,339	-	377,339	521,779	-	521,779	144,440	38.3
Reflectorized Plate Fee	346,458	16	346,442	348,959	23	348,936	2,494	.7
Protested-Mine Occupation Tax	947,062	-	947,062	653,524	-	653,524	(293,538)	(31.0)
TOTAL	$ 5,366,312	$ 178,752	$ 5,187,560	$ 5,790,361	$ 340,479	$ 5,449,882	$ 262,322	5.1
Local Tax Collections:								
Uniform Local Sales and Use Tax	$ 57,097,931	$ 647,603	$ 56,450,328	$ 63,104,950	$ 365,444	$ 62,739,506	$ 6,289,178	11.1
Transient Room Tax	2,099,797	285	2,099,512	2,368,293	2,879	2,365,414	265,902	12.7
Transit Authority Tax	12,972,667	55,550	12,917,117	14,359,076	40,104	14,318,972	1,401,855	10.8
TOTAL	$ 72,170,395	$ 703,438	$ 71,466,957	$ 79,832,319	$ 408,427	$ 79,423,892	$ 7,956,935	11.1
GRAND TOTAL	$808,216,819	$ 50,309,467	$757,907,352	$907,172,310	$ 59,224,821	$847,947,489	$ 90,040,137	11.9

TABLE 3
TEN-YEAR COMPARATIVE REPORT OF PROPERTY TAXES LEVIED AND EXCISE TAXES COLLECTED FOR CALENDAR YEARS 1970-1979 AND FISCAL YEARS JULY 1 TO JUNE 30, 1971-1980

Calendar Year	Fiscal Year	Property Taxes Levied Calendar Year	Excise Taxes Net Collection Fiscal Year	Total	Property Taxes % of Total	Excise Taxes % of Total
1970	1971	$154,121,967	$261,929,882	$416,051,849	37.04	62.96
1971	1972	167,880,362	300,499,897	468,380,259	35.84	64.16
1972	1973	169,207,884	360,034,728	529,242,612	31.97	68.03
1973	1974	170,641,107	370,084,100	540,725,207	31.56	68.44
1974	1975	181,090,140	413,171,235	594,261,375	30.47	69.53
1975	1976	208,132,348	505,778,839	713,911,187	29.15	70.85
1976	1977	240,134,711	572,520,768	812,655,479	29.55	70.45
1977	1978	265,094,843	655,843,556	920,938,399	28.78	71.22
1978	1979	309,668,926	757,907,449	1,067,576,375	29.01	70.99
1979	1980	341,390,695	847,947,488	1,189,338,183	28.70	71.30
Rate of Increase in 10 Years		121.51%	223.73%	185.86%		

TABLE 4
SUMMARY OF DISTRIBUTION OF UNIFORM LOCAL SALES AND USE TAX TO PARTICIPATING UNITS FOR FISCAL YEARS 1978-79 AND 1979-80

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
BEAVER COUNTY	22,161.77	$ 8,840.77	$ (13,321.00)	(60.11)
Cities and Towns				
Beaver	56,701.95	78,064.64	21,362.69	37.68
Milford	30,952.66	36,240.46	5,287.80	17.08
Minersville	7,622.61	10,816.98	3,194.37	41.91
Total Cities and Towns	$ 95,277.22	$ 125,122.08	$ 29,844.86	31.32
Total Beaver County Including Cities and Towns	$ 117,438.99	$ 133,962.85	$ 16,523.86	14.07
BOX ELDER COUNTY	$ 111,150.34	$ 211,064.48	$ 99,914.14	89.89
Cities and Towns				
Bear River	4,458.20	2,398.29	(2,059.91)	(46.20)
Brigham City	420,399.26	439,464.45	19,065.19	4.54
Corrinne	10,583.61	10,588.82	5.21	.05
Deweyville	1,666.47	1,324.25	(342.22)	(20.54)
Elwood	4,907.86	6,152.37	1,244.51	25.36
Fielding	2,884.26	2,471.61	(412.65)	(14.31)
Garland	18,232.15	12,252.07	(5,980.08)	(32.80)
Honeyville	4,154.03	3,176.18	(977.85)	(23.54)
Mantua	2,057.63	1,775.79	(281.84)	(13.70)
Perry	21,986.25	20,516.45	(1,469.80)	(6.68)
Plymouth	1,305.43	1,075.74	(229.69)	(17.59)
Portage	853.36	907.34	53.98	6.32
Snowville	6,416.98	6,210.42	(206.56)	(3.22)
Tremonton	256,646.81	260,854.54	4,207.73	1.64
Willard	14,151.84	14,847.40	695.56	4.91
Total Cities and Towns	$ 770,704.14	$ 784,015.72	$ 13,311.58	1.73
Total Box Elder County Including Cities and Towns	$ 881,854.48	$ 995,080.20	$ 113,225.72	12.84
CACHE COUNTY	$ 111,383.51	$ 119,092.83	$ 7,709.32	6.92
Cities and Towns				
Amalga	13,653.43	19,216.17	5,562.74	40.74
Clarkston	1,714.60	2,163.36	448.76	26.17
Cornish	790.38	1,178.50	388.12	49.11
Hyde Park	23,262.87	25,615.27	2,352.40	10.11
Hyrum	37,564.54	42,384.98	4,820.44	12.83
Lewiston	16,499.43	17,917.94	1,418.51	8.60
Logan	1,206,559.89	1,350,823.06	144,263.17	11.96
Mendon	3,825.61	4,634.89	809.28	21.15
Millville	3,939.75	4,062.50	122.75	3.12
Newton	2,293.07	2,562.31	269.24	11.74
Nibley	2,627.92	4,170.75	1,542.83	58.71
North Logan	83,260.28	76,910.02	(6,350.26)	(7.63)
Paradise	3,996.97	3,071.57	(925.40)	(23.15)
Providence	12,854.32	14,821.07	1,966.75	15.30
Richmond	21,826.50	23,969.00	2,142.50	9.82
River Heights	2,206.29	2,309.54	103.25	4.68
Smithfield	107,146.23	130,320.14	23,173.91	21.63

TABLE 4 (Cont.)

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
Trenton	4,252.23	4,533.69	281.46	6.62
Wellsville	7,928.46	10,095.44	2,166.98	27.33
Total Cities & Towns	$1,556,202.77	$1,740,760.20	$ 184,557.43	11.86
Total Cache County Including Cities and Towns	$1,667,586.28	$1,859,853.03	$ 192,266.75	11.53
CARBON COUNTY	$ 345,352.94	$ 421,582.11	$ 76,229.17	22.07
Cities and Towns				
Helper	105,836.30	171,013.85	65,177.55	61.58
Price	597,309.48	700,856.38	103,546.90	17.34
Total Cities and Towns	$ 703,145.78	$ 871,870.23	$ 168,724.45	24.00
Total Carbon County Including Cities and Towns	$1,048,498.72	$1,293,452.34	$ 244,953.62	23.36
DAGGETT COUNTY	$ 19,355.16	$ 22,991.24	$ 3,636.08	18.79
Cities and Towns				
Manila	7,496.34	6,172.31	(1,324.03)	(17.66)
Total Cities and Towns	$ 7,496.34	$ 6,172.31	$ (1,324.03)	(17.66)
Total Daggett County Including Cities and Towns	$ 26,851.50	$ 29,163.55	$ 2,312.05	8.61
DAVIS COUNTY	$ 259,056.13	$ 298,619.52	$ 39,563.39	15.27
Cities and Towns				
Bountiful	1,035,264.77	1,052,468.22	17,203.45	1.66
Centerville	246,502.10	342.568.87	96,066.77	38.97
Clearfield	324,384.41	380,571.07	56,186.66	17.32
Clinton	10,095.48	13,304.16	3,208.68	31.78
East Layton	9,104.97	10,450.01	1,345.04	14.77
Farmington	73,207.12	81,406.33	8,199.21	11.20
Fruit Heights	9,312.27	10,434.93	1,122.66	12.06
Kaysville	112,551.18	135,125.85	22,574.67	20.06
Layton	573,554.52	582,416.14	8,861.62	1.54
North Salt lake	238,129.65	321,237.24	83,107.59	34.90
South Weber	19,720.82	24,945.50	5,224.68	26.49
Sunset	56,140.40	68,826.99	12,686.59	22.60
Syracuse	139,598.58	147,840.49	8,241.91	5.90
West Bountiful	101,891.55	132,029.01	30,137.46	29.58
West Point	5,304.04	6,494.97	1,190.93	22.45
Woods Cross	227,751.82	232,388.37	4,636.55	2.04
Total Cities & Towns	$3,182,513.68	$3,542,508.15	$ 359,994.47	11.31
Total Davis County Including Cities & Towns	$3,441,569.81	$3,841,127.67	$ 399,557.86	11.61
DUCHESNE COUNTY	$ 252,580.97	$ 211,622.29	$ (40,958.68)	(16.22)
Cities & Towns				
Altamont	16,509.06	15,050.97	(1,458.09)	(8.83)
Duchesne	42,805.31	43,064.17	258.86	.60
Myton	2,170.89	2,353.94	183.05	8.43
Roosevelt	296,818.31	396,569.82	99,751.51	33.61
Total Cities and Towns	$ 358,303.57	$ 457,038.90	$ 98,735.33	27.56
Total Duchesne County Including Cities & Towns	$ 610,884.54	$ 668,661.19	$ 57,776.65	9.46

TABLE 4 (Cont.)

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
EMERY COUNTY	$ 54,710.38	$ 59,761.29	$ 5,050.91	9.23
Cities and Towns				
Castle Dale	52,770.14	65,729.38	12,959.24	24.56
Cleveland	3,916.11	9,096.02	5,179.91	132.27
Elmo	1,159.57	3,278.55	2,118.98	182.74
Emery	3,106.63	13,008.83	9,902.20	318.74
Ferron	15,590.71	31,055.84	15,465.13	99.19
Green River	61,628.26	59,998.82	(1,629.44)	(2.64)
Huntington	46,086.86	68,254.66	22,167.80	48.10
Orangeville	10,195.55	25,079.93	14,884.38	145.99
Total Cities and Towns	$ 194,453.83	$ 275,502.03	$ 81,048.20	41.68
Total Emery County Including Cities and Towns	$ 249,164.21	$ 335,263.32	$ 86,099.11	34.56
GARFIELD COUNTY	$ 34,500.71	$ 58,509.14	$ 24,008.43	69.59
Cities and Towns				
Boulder	1,041.51	1,288.43	246.92	23.71
Cannonville	583.39	774.97	191.58	32.84
Escalante	10,127.33	9,919.75	(207.58)	(20.50)
Hatch	2,744.31	2,598.73	(145.58)	(5.30)
Henrieville	624.96	307.77	(317.19)	(50.75)
Panguitch	57,023.38	57,541.73	518.35	.91
Tropic	3,985.18	3,694.45	(290.73)	7.30
Total Cities and Towns	$ 76,130.06	$ 76,125.83	$ (4.23)	.01
Total Garfield County Including Cities & Towns	$ 110,630.77	$ 134,634.97	$ 24,004.20	21.70
GRAND COUNTY	$ 96,234.19	$ 129,306.97	$ 33,072.78	34.37
Cities and Towns				
Moab	318,020.55	355,840.40	37,819.85	11.89
Total Cities and Towns	$ 318,020.55	$ 355,840.40	$ 37,819.85	11.89
Total Grand County Including Cities and Towns	$ 414,254.74	$ 485,147.37	$ 70,892.63	17.11
IRON COUNTY	$ 54,086.97	$ 64,582.92	$ 10,495.95	19.41
Cities and Towns				
Brian Head	15,413.51	19,641.73	4,228.22	27.43
Cedar City	553,768.09	580,770.91	27,002.82	4.88
Kanarraville	609.80	711.20	101.40	16.63
Paragonah	678.58	726.22	47.64	7.02
Parowan	22,742.53	28,971.49	6,228.96	27.39
Total Cities and Towns	$ 593,212.51	$ 630,821.55	$ 37,609.04	6.34
Total Iron County Including Cities and Towns	$ 647,299.48	$ 695,404.47	$ 48,104.99	7.43
JUAB COUNTY	$ 13,191.02	$ 27,403.48	$ 14,212.46	107.74
Cities and Towns				
Eureka	6,823.59	7,586.32	762.73	11.18
Levan	1,641.61	2,467.23	825.62	50.29
Mona	1,491.13	2,060.30	569.17	38.17

TABLE 4 (Cont.)

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
Nephi	133,609.42	153,103.22	19,493.80	14.59
Total Cities & Towns	$ 143,56[illegible]5.75	$ 165,217.07	$ 21,651.32	15.08
Total Juab County Including Cities & Towns	$ 156,756.77	$ 192,620.55	$ 35,863.78	22.88
KANE COUNTY	$ 41,597.49	$ 49,196.27	$ 7,598.78	18.27
Cities and Towns				
Alton	78.87	83.04	4.17	5.29
Glendale	3,289.82	4,024.44	734.62	22.33
Kanab	85,319.89	80,272.99	(5,046.90)	(5.92)
Orderville	4,535.22	4,988.21	452.99	9.99
Total Cities and Towns	$ 93,223.80	$ 89,368.68	$ (3,855.12)	(41.4)
Total Kane County Including Cities and Towns	$ 134,821.29	$ 138,564.95	$ 3,743.66	2.78
MILLARD COUNTY	$ 34,983.15	$ 49,364.85	$ 14,381.70	41.11
Cities and Towns				
Delta	101,584.61	113,008.79	11,424.18	11.24
Fillmore	86,084.82	96,014.26	9,929.44	11.53
Hinckley	1,077.55	1,184.68	107.13	9.94
Holden	1,807.16	2,106.63	299.47	16.57
Kanosh	2,611.73	2,766.79	155.06	5.94
Leamington	187.74	201.38	13.64	7.26
Lynndyl	576.73	966.22	389.49	67.53
Meadow	2,222.80	2,203.29	(19.51)	(.88)
Oak City	583.02	602.44	19.42	3.33
Scipio	1,773.97	2,046.07	272.10	15.34
Total Cities and Towns	$ 198,510.13	$ 221,100.55	$ 22,590.42	11.38
Total Millard County Including Cities & Towns	$ 233,493.28	$ 270,465.40	$ 36,972.12	15.83
MORGAN COUNTY	$ 104,941.42	$ 97,457.86	$ (7,483.56)	(7.13)
PIUTE COUNTY	$ 7,302.81	$ 7,741.48	$ 438.67	6.01
Cities and Towns				
Circleville	1,097.73	1,138.94	41.21	3.75
Junction	2,078.73	2,688.37	60[illegible].64	29.33
Marysvale	2,396.96	2,622.77	22[illegible].81	9.42
Total Cities and Towns	$ 5,573.42	$ 6,450.08	$ 876.66	15.73
Including Cities & Towns Total Piute County	$ 12,876.23	$ 14,191.56	$ 1,315.33	10.22
RICH COUNTY	$ 20,490.87	$ 23,451.54	$ 2,960.67	14.45
Cities and Towns				
Garden City	5,319.78	7,030.72	1,710.94	32.16
Laketown	2,751.04	2,847.60	96.56	3.51
Pickleville	4,239.78	2,062.87	(2,176.91)	(51.34)
Randolph	17,940.79	19,506.04	1,565.25	8.72
Total Cities and Towns	$ 30,251.39	$ 31,447.23	$ 1,195.84	3.95
Total Rich County Including Cities and Towns	$ 50,742.26	$ 54,898.77	$ 4,156.51	8.19

TABLE 4 (Cont.)

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
SALT LAKE COUNTY	$8,771,561.13	$9,578,307.43	$806,746.30	9.20
Cities and Towns				
Alta	53,678.86	68,155.62	14,476.76	26.97
Bluffdale	1,110.66	2,490.05	1,379.39	0
Draper	37,770.61	56,608.19	18,837.58	49.87
Midvale	653,630.83	673,218.42	19,587.59	3.00
Murray	2,940,684.23	3,247,726.48	307,042.25	10.44
Riverton	127,415.94	148,377.44	20,961.50	16.45
Salt Lake City	13,280,984.32	14,643,312.98	1,362,328.66	10.26
South Jordan	32,225.44	38,614.88	6,389.44	19.83
Sandy	849,575.69	1,080,764.47	231,188.78	27.21
South Salt Lake	1,797,497.91	2,046,165.49	248,667.58	13.83
West Jordan	602,775.70	728,711.56	125,935.86	20.89
Total Cities and Towns	$20,377,350.19	$22,734,145.58	$2,356,795.39	11.56
Total Salt Lake County Including Cities & Towns	$29,148,911.32	$32,312,453.01	$3,163,541.69	10.85
SAN JUAN COUNTY	$ 87,710.72	$ 152,076.63	$ 64,365.91	73.38
Cities and Towns				
Blanding	73,019.58	83,781.69	10.762.11	14.74
Bluff (Disincorporated)	3,860.39	0	(3,860.39)	NA
Monticello	85,449.98	97,957.09	12,507.11	14.64
Total Cities and Towns	$ 162,329.95	$ 181,738.78	$ 19,408.83	11.96
Total San Juan County Including Cities and Towns	$ 250,040.67	$ 333,815.41	$ 83,774.74	33.50
SANPETE COUNTY				
Cities and Towns	$ 28,638.94	$ 31,095.95	$ 2,457.01	8.58
Centerfield	7,345.04	5,984.75	(1,360.29)	(18.52)
Ephraim	58,778.09	69,056.41	10,278.32	17.49
Fairview	16,640.48	17,737.70	1,097.22	6.59
Fayette	731.11	630.61	(100.50)	(13.75)
Fountain Green	2,540.35	2,611.46	71.11	2.80
Gunnison	74,464.98	70,638.00	(3,826.98)	(5.14)
Manti	31,771.12	50,098.34	18,327.22	57.68
Mayfield	1,811.90	1,994.02	182.12	10.05
Moroni	21,714.93	29,111.41	7.396.48	34.06
Mt. Pleasant	61,224.20	63,982.00	2,757.80	4.50
Spring City	2,587.59	2,821.08	233.49	9.02
Sterling	1,515.04	1,462.25	(52.79)	(3.48)
Wales	319.86	721.73	401.87	125.64
Total Cities and Towns	$ 281,444.69	$ 316.849.76	$ 35,405.07	12.58
Total Sanpete County Including Cities & Towns	$ 310,083.63	$ 347,945.71	37,862.08	12.21
SEVIER COUNTY	$ 80,066.57	$ 81,022.52	$ 955.95	1.19
Cities and Towns				
Annabella	1,048.69	1,291.01	242.32	23.11
Aurora	11,408.21	16,260.73	4,852.52	42.54
Elsinore	3,667.57	5,209.88	1,542.31	42.05

TABLE 4 (Cont.)

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
Glenwood	702.44	822.85	120.41	17.14
Joseph	1,058.29	1,318.41	260.12	24.58
Monroe	12,033.47	13,233.29	1,199.82	9.97
Redmond	6,434.67	10,162.03	3,727.36	57.93
Richfield	354,952.13	392,109.52	37,157.39	10.47
Salina	93,833.55	126,619.63	32,786.08	34.94
Sigurd	3,274.73	6,053.79	2,779.06	84.86
Total Cities and Towns	$ 488,413.75	$ 573,081.14	$ 84,667.39	17.34
Total Sevier County Including Cities and Towns	$ 568,480.32	$ 654,103.66	$ 85,623.34	15.06
SUMMIT COUNTY	$ 72,890.53	$ 108,745.52	$ 35,854.99	49.19
Cities and Towns				
Coalville	36,356.33	44,352.09	7,995.76	21.99
Francis	2,183.05	2,258.02	74.97	3.43
Henefer	3,776.09	6,815.19	3,039.10	80.48
Kamas	25,335.15	31,408.45	6,073.30	23.97
Oakley	3,087.26	4,492.79	1,405.53	45.53
Park City	285,885.90	383,396.61	97,510.71	34.11
Total Cities and Towns	$ 356,623.78	$ 472,723.15	$ 116,099.37	32.56
Total Summit County Including Cities & Towns	$ 429,514.31	$ 581,468.67	$ 151,954.36	35.38
TOOELE COUNTY	$ 90,274.13	$ 177,988.62	$ 87,714.49	97.16
Cities and Towns				
Grantsville	40,438.29	41,634.37	1,196.09	2.96
Stockton	2,555.95	2,401.53	(154.42)	(6.04)
Tooele	496,226.22	428,513.52	(67,712.70)	(13.64)
Vernon	1,178.93	1,035.00	(143.93)	(12.21)
Wendover	41,033.32	32,796.08	(8,237.24)	(20.07)
Total Cities and Towns	$ 581,432.71	$ 506,380.50	$ (75,052.21)	(12.91)
Total Tooele County Including Cities and Towns	$ 671,706.84	$ 684,369.12	$ 12,662.28	1.88
UINTAH COUNTY	$ 315,087.93	$ 189,579.95	$ (125,507.98)	(39.83)
Cities and Towns				
Vernal	793,657.21	1,051,258.57	257,601.36	32.46
Ballard	29,902.85	30,658.00	755.15	2.52
Total Cities and Towns	$ 823,560.06	$1,081,916.57	$ 258,356.51	31.37
Total Uintah County Including Cities and Towns	$1,138,647.99	$1,271,496.52	$ 132,848.53	11.67
UTAH COUNTY	$ 560,640.70	$ 645,578.98	$ 84,938.28	15.15
Cities and Towns				
Alpine	12,879.80	14,623.54	1,743.74	13.54
American Fork	460,241.67	492,621.89	32,380.22	7.04
Genola	2,452.53	2,558.29	105.76	4.13
Goshen	2,465.82	2,886.72	420.90	17.07
Highland	7,791.35	11,878.95	4,087.60	52.46
Lehi	92,958.93	99,281.88	6,322.95	6.80
Lindon	105,975.22	86,889.99	(19,085.23)	(18.01)

TABLE 4 (Cont.)

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	Net Distribution After 2% Admin. Costs 7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
Mapleton	20,828.59	22,678.55	1,849.96	8.88
Orem	2,062,777.81	2,289,043.17	226,265.36	10.97
Payson	163,852.40	192,442.44	28,590.04	17.45
Pleasant Grove	113.608.00	156,737.99	43,129.99	37.96
Provo	2,065,102.53	2,092,429.99	27,327.46	1.32
Salem	16,183.55	17,388.98	1,205.43	7.45
Santaquin	24,457.16	26,310.50	1,853.34	7.58
Spanish Fork	312,998.47	319,683.95	6,685.48	2.14
Springville	212,841.31	219,140.85	6,299.54	2.96
Total Cities & Towns	$5,677,415.14	$6,046,597.68	369,182.54	6.50
Total Utah County Including Cities & Towns	$6,238,055.84	$6,692,176.66	$ 454,120.82	7.28
WASATCH COUNTY	$ 33,230.26	$ 24,311.45	$ (8,918.81)	(26.84)
Cities and Towns				
Charleston	1,365.97	1,743.55	377.58	27.64
Heber	214,705.61	224,164.91	9,459.30	4.41
Midway	17,188.04	22,007.13	4,819.09	28.04
Soldier Summit	1,715.62	340.85	(1,374.77)	(80.13)
Wallsburg	2,622.15	559.82	(2,062.33)	(78.75)
Total Cities and Towns	$ 237,597.39	$ 248,816.26	$ 11,218.87	4.72
Total Wasatch County Including Cities & Towns	$ 270,827.65	$ 273,127.71	$ 2,300.06	.85
WASHINGTON COUNTY	$ 64,669.65	$ 78,786.75	$ 14,117.20	21.83
Cities and Towns				
Enterprise	11,195.91	15,052.81	3,856.90	34.45
Hildale	3,558.91	1,057.38	(2,501.53)	(70.29)
Hurricane	74,566.67	81,822.40	7,255.73	9.73
Ivins	1,073.37	1,616.58	543.21	50.61
LaVerkin	9,280.78	13.277.46	3,996.68	43.06
Leeds	1,026.82	1,819.08	792.26	77.16
Santa Clara	5,905.53	6,797.48	891.95	15.10
Springdale	17,486.08	18,581.22	1,095.14	6.26
St. George	633,024.79	726,535.02	93,510.23	14.77
Toquerville	795.52	732.19	(63.33)	(7.96)
Virgin	425.14	374.18	(50.96)	(11.99)
Washington City	21,433.98	24,912.78	3,478.80	16.23
Total Cities and Towns	$ 779,773.50	$ 892,578.58	$ 112,805.08	14.47
Total Washington County Including Cities & Towns	$ 844,443.15	$ 971,365.43	$ 126,922.28	15.03
WAYNE COUNTY	$ 18,119.64	$ 19,338.00	$ 1,218.36	6.72
Cities and Towns				
Bicknell	7,640.50	8,348.05	707.55	9.26
Loa	10,219.70	11,361.93	1,142.23	11.18
Torrey	1,467.30	1,976.09	508.79	34.68
Total Cities & Towns	$ 19,327.50	$ 21,686.07	$ 2,358.57	12.20
Total Wayne County Including Cities & Towns	$ 37,447.14	$ 41,024.07	$ 3,576.93	9.55

TABLE 4 (Cont.)

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
WEBER COUNTY	$5,126,327.47	$1,804,058.04	$(3,322,269.43)	(64.81)
Cities and Towns				
Harrisville	0	23,091.28	23,091.28	NA
Huntsville	0	5,094.03	5,094.03	NA
North Ogden	0	48,415.86	48,415.86	NA
Ogden	0	2,858,647.17	2,858,647.17	NA
Plain City	0	10,700.84	10,700.84	NA
Pleasant View	0	54,500.14	54,500.14	NA
Riverdale	350,220.99	381,241.90	31,020.91	8.86
Roy	0	301,453.54	301,453.54	NA
South Ogden	0	304,712.84	304,712.84	NA
Uintah	0	8,840.24	8,840.24	NA
Washington Terrace	0	74,792.03	74,792.03	NA
Total Cities and Towns	$ 350,220.99	$4,071,489.87	$3,721,268.88	NA
Total Weber County Including Cities & Towns	$5,176,548.46	$5,875,547.91	$ 398,999.45	7.28
GRAND TOTAL	$55,294,372.09	$61,278,843.93	$5,984,471.84	10.82

Notes: (1) Harrisville, Huntsville, North Ogden, Ogden, Plain City, Roy, Pleasant View, South Ogden, Uintah, and Washington Terrace all adopted the local option tax effective July 1, 1979. Due to accounting periods, only three quarters are represented in the above amounts for each of these localities.

Local Sales & Use Tax is ¾ of 1 percent of net taxable sales or purchases. Presently, the rate is uniform statewide. The revenues are distributed back to the town, city or county in which the sale took place (depending on whether the local option ordinance has been adopted).

TABLE 5
SUMMARY OF DISTRIBUTION OF TRANSIENT ROOM TAX TO PARTICIPATING UNITS FOR FISCAL YEARS 1978-79 AND 1979-80

UNIT	Date Contract Effective	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
Beaver County	1-1-74	$ 8,223.44	$ 8,709.26	$ 485.82	5.91
Box Elder County	7-1-70	24,210.91	34,174.16	9,963.25	41.15
Cache County	4-1-73	18,848.88	23,556.63	4,707.75	24.98
Carbon County	7-1-72	22,777.40	20,720.89	(2,056.51)	(9.03)
Daggett County	10-1-72	2,095.26	2,161.41	66.15	3.16
Davis County	4-1-70	12,344.07	11,291.68	(1,052.39)	(8.52)
Duchesne County	4-1-73	6,607.88	7.637.73	1,029.85	15.58
Emery County	7-1-72	11,055.24	10,423.98	(631.26)	(5.71)
Garfield County	4-1-69	21,617.33	23,546.22	1,928.89	8.92
Grand County	4-1-70	48,968.05	43,645.12	(5.322.93)	(10.87)
Iron County	4-1-72	40,442.25	42,111.88	1,669.63	4.13
Juab County	7-1-73	7,992.76	4,922.09	(3.070.67)	(38.42)
Kane County	1-1-72	25,298.54	28,783.12	3,484.58	13.77
Millard County	4-1-74	11,069.26	16,299.36	5,230.10	47.26
Morgan County	4-1-72	107.98	60.71	(47.27)	(43.78)
Piute County	7-1-73	543.90	477.25	(66.65)	(12.25)
Rich County	4-1-73	7,999.57	4,340.89	(3,658.68)	(45.74)
Salt Lake County	8-5-65	1,247,504.60	1,471,258.19	223,753.59	17.94
San Juan County	4-1-70	13,017.00	14,589.13	1,572.13	12.08
Sanpete County	10-1-73	2,851.67	4,319.92	1,468.25	51.49
Sevier County	10-1-72	30,288.23	37,763.58	7,475.35	24.68
Summit County	10-1-71	154,597.43	174,953.47	20,356.04	13.17
Tooele County	10-1-75	18,656.08	19,802.48	1,146.40	6.14
Uintah County	4-1-72	22,172.42	24,453.78	2,281.36	10.29
Utah County	7-1-71	118,048.50	105,629.00	(12,419.50)	(10.52)
Wasatch County	4-1-71	19,703.83	22,843.02	3,139.19	15.93
Washington County	4-1-72	72,105.48	70,171.64	(1,933.84)	(2.68)
Wayne County	1-1-73	3,844.93	4,107.46	262.53	6.83
Weber County	1-1-70	89,780.89	82,175.64	(7,605.25)	(8.47)
GRAND TOTAL		$2,062,773.78	$2,314,929.69	$252,155.91	12.22

NOTES:

(1) Piute, Sanpete, Sevier and Wayne Counties increased their rate from 1½% to 2%, effective July 1, 1979.

(2) As this is a county tax, all distributions are made to the counties only. All 29 counties have adopted this tax. It applies to the rental charge for any suite, room, or rooms in a motel, hotel, motel court, inn or similar public accommodation for fewer than 30 consecutive days. This tax is over and above the applicable sales tax. As of 6-3-80, the room tax rates are 3 percent in Salt Lake, Davis, Weber, Box Elder, Wasatch, Utah, Summit and Morgan counties: 2¼% in Grand County, 2% in Sevier, Wayne, Piute, and Sanpete counties; and 1½% in all other counties. Room Tax is remitted on a quarterly return separate from sales tax.

(3) Effective 7-1-80, Uintah, Duchesne, and Millard counties increased their rate from 1½% to 3% and Piute, Sanpete and Wayne counties from 2% to 3%. These new rates will be reflected in the next report.

TABLE 6
SUMMARY OF DISTRIBUTION OF LOCAL TRANSIT AUTHORITY TAX TO PARTICIPATING UNITS FOR FISCAL YEARS 1978-79 AND 1979-80

UNIT	Net Distribution After 2% Admin. Costs 7-1-78 to 6-30-79	7-1-79 to 6-30-80	Amount of Increase or (Decrease)	Percent of Increase or (Decrease)
Davis County	$1,138,208.42	$1,267,756.44	$ 129,548.02	11.38
Salt Lake County	9,625,830.68	10,670,508.37	1,044,677.69	10.85
Weber County	1,809,969.05	1,933,456.78	123,487.73	6.82
Park City	89,241.02	121,170.39	31,929.37	35.78
GRAND TOTAL	$12,663,249.17	$13,992,891.98	$1,329,642.81	10.50

NOTE:

This tax can be adopted by a county or municipality after proper procedures are followed including voter acceptance. The rate is ¼ of 1 percent of net taxable sales and is remitted on the regular quarterly sales tax return. At present only three counties; Salt Lake, Davis and Weber and one city, Park City, have adopted this tax. In the case of Salt Lake, Davis, and Weber Counties, the distribution is made by the Tax Commission direct to the county which in turn distributes the money to the Utah Transit Authority.

TABLE 7
TOTAL ASSESSED VALUE AND TOTAL TAXES CHARGED FOR ALL PROPERTY IN 1978 AND 1979

Assessed by County Assessor	Calendar Years 1978	1979	Percent of Increase or (Decrease)	Calendar Years 1978	1979	Percent of Increase or (Decrease)
Residential Real Estate	$ 548,576,438	$ 613,389,563	11.81	$ 36,430,817	$ 41,163,113	12.99
Commercial and Industrial Real Estate	242,991,295	256,800,731	5.68	16,201,187	17,447,249	7.69
Agricultural Real Estate	192,058,942	182,300,534	(5.08)	11,772,484	10,637,362	(9.64)
Residential Buildings	1,595,739,414	1,799,630,630	12.78	107,379,028	122,127,445	13.73
Commercial and Industrial Buildings	545,461,423	600,165,804	10.03	36,476,854	40,712,295	11.61
Agricultural Buildings	21,666,303	24,402,041	12.63	1,445,594	1,516,822	4.93
Motor Vehicles	293,235,572	307,170,277	4.75	19,413,488	20,306,216	4.60
Commercial and Industrial Machinery	168,634,859	191,205,303	13.38	10,860,068	12,199,920	12.34
Agricultural Machinery	15,882,725	18,326,530	15.39	948,106	1,013,227	6.87
Other Personal Property	136,817,901	149,204,767	9.05	9,287,390	10,104,496	8.80
Range Cattle	9,192,811	10,043,521	9.25	587,510	587,991	.08
Other Cattle	2,904,198	3,107,633	7.00	184,937	181,602	(1.80)
Horses and Mules	1,497,841	1,700,649	13.54	93,700	99,260	5.93
Sheep	1,137,023	1,296,311	14.01	153,002	172,065	12.46
Other Animals	483,642	519,559	7.43	30,959	31,562	1.95
Poultry	141,067	126,705	(10.18)	8,468	7,331	(13.43)
TOTAL	$3.776.421.454	$4,159,390,558	10.14	$251,273,592	$278,307,956	10.76
Assessed by State Tax Commission						
Airlines	$ 6,151,491	$ 6,648,077	8.07	$ 362,771	$ 375,870	3.61
Automobile, Passenger and Freight Companies	13,140,022	15,147,624	15.28	822,852	924,267	12.32
Gas, Pipeline and Water Companies	59,099,320	56,994,879	(3.56)	3,732,024	3,417,425	(8.43)
Power Companies	212,069,060	268,436,697	26.58	13,534,344	16,347,588	20.79
Railroad, Terminal and Car Companies	73,425,114	71,551,346	(2.55)	4,640,718	4,272,990	(7.92)
Telephone and Telegraph Companies	127,562,966	137,422,977	7.73	8,557,102	9,062,772	5.91
Metalliferous Mining Companies	170,550,841	200,787,508	17.73	9,839,841	11,811,486	20.04
Non-Metalliferous	56,675,385	68,848,729	21.48	3,699,567	3,532,263	(4.52)
Oil and Gas	232,906,535	255,288,129	9.61	13,206,115	13,338,078	1.00
TOTAL	$ 951.580.734	$1.081.125.966	13.61	$ 58.395.334	$ 63.082.739	8.03
GRAND TOTAL	$4,728,002,188	$5,240,516,524	10.84	$309,668,926	$341,390,695	10.24

TABLE 8
DISTRIBUTION OF PROPERTY TAXES — 1978 AND 1979

	Calendar Years 1978	1979	Increase or (Decrease)	Percent Change
TOTALS FOR STATE				
District Schools	$190,652,348	$200,374,594	$ 9,722,246	5.10
Cities and Towns	35,956,590	39,373,176	3,416,586	9.50
County	58,449,592	70,081,429	11,631,837	19.90
Special Taxing Districts	24,469,789	31,398,165	6,928,376	28.31
Special Livestock Taxes	140,607	163,331	22,724	16.16
TOTALS	$309,668,926	$341,390,695	$31,721,769	10.24
Totals for Each County				
BEAVER COUNTY				
Beaver County School District	$ 690,744	$ 660,214	$ (30,530)	(4.42)
Cities and Towns	81,921	85,277	3,356	4.10
County	159,492	150,083	(9,409)	(5.90)
Special Taxing Districts	33,881	60,715	26,834	79.20
Special Livestock Taxes	7,546	9,350	1,804	23.91
TOTALS	$ 973,584	$ 965,639	$ (7,945)	(.82)
BOX ELDER COUNTY				
Box Elder County School District	$ 4,919,185	$ 4,679,396	$ (239,789)	(4.87)
Cities and Towns	636,304	664,894	28,590	4.49
County	952,173	995,112	42,939	4.51
Special Taxing Districts	209,773	214,416	4,643	2.21
Special Livestock Taxes	15,585	18,612	3,027	19.42
TOTALS	$ 6,733,020	$ 6,572,430	$ (160,590)	(2.39)
CACHE COUNTY				
Logan City School District	$ 2,324,170	$ 2,392,065	$ 67,895	2.92
Cache County School District	3,006,238	3,002,037	(4,201)	(.14)
Total District	5,330,408	5,394,102	63,694	1.19
Cities and Towns	882,249	972,219	89,970	10.20
County	1,434,451	1,540,734	106,283	7.41
Special Taxing Districts	22,604	27,750	5,146	22.77
Special Livestock Taxes	3,783	4,988	1,205	31.85
TOTALS	$ 7,673,495	$ 7,939,793	$ 266,298	3.47
CARBON COUNTY				
Carbon County School District	$ 3,201,873	$ 3,382,625	$ 180,752	5.65
Cities and Towns	278,013	347,884	69,871	25.13
County	993,214	1,080,677	87,463	8.81
Special Taxing Districts	482,206	459,370	(22,386)	(4.74)
Special Livestock Taxes	1,502	1,335	(167)	(11.12)
TOTALS	$ 4,956,808	$ 5,271,891	$ 315,083	6.36
DAGGETT COUNTY				
Daggett County School District	$ 396,650	$ 393,901	$ (2,749)	(.69)
Cities and Towns	17,527	12,850	(4,677)	(26.68)
County	89,246	86,885	(2,361)	(2.65)
Special Taxing District	-	6,049	6,049	100.00
Special Livestock Taxes	874	1,159	285	32.61
TOTALS	$ 504,297	$ 500,844	$ 3,453	(.68)

TABLE 8 (Cont.)

DAVIS COUNTY				
Davis County School District	$ 13,463,645	$ 13,442,996	$ (20,649)	(.15)
Cities and Towns	3,045,505	3,570,410	524,905	17.24
County	4,295,966	4,805,631	509,665	11.86
Special Taxing Districts	1,998,473	2,112,663	114,190	5.71
Special Livestock Taxes	1,125	1,329	204	18.13
TOTALS	$ 22,804,714	$ 23,933,029	$ 1,128,315	4.95
DUCHESNE COUNTY				
Duchesne County School District	$ 5,739,519	$ 5,116,781	$ (622,738)	(10.85)
Cities and Towns	218,078	224,696	6,618	3.03
County	1,232,924	1,226,886	(6,038)	(.49)
Special Taxing Districts	325,316	346,462	21,146	6.50
Special Livestock Taxes	8,293	9,339	1,046	12.61
TOTALS	$ 7,524,130	$ 6,924,164	$ (599,966)	(7.97)
EMERY COUNTY				
Emery County School District	$ 5,263,018	$ 7,002,521	$ 1,739,503	33.05
Cities and Towns	166,069	204,367	38,298	23.06
County	1,557,214	2,853,212	1,295,998	83.23
Special Taxing Districts	684,361	1,067,624	383,263	56.00
Special Livestock Taxes	3,398	3,526	128	3.77
TOTALS	$ 7,674,060	$ 11,131,250	$ 3,457,190	45.05
GARFIELD COUNTY				
Garfield County School District	$ 580,517	$ 535,032	$ (45,485)	(7.84)
Cities and Towns	72,781	75,119	2,338	3.21
County	181,411	185,775	4,364	2.41
Special Taxing Districts	18,970	22,855	3,885	20.48
Special Livestock Taxes	1,868	2,203	335	17.93
TOTALS	$ 855,547	$ 820,984	$ (34,563)	(4.04)
GRAND COUNTY				
Grand County School District	$ 1,255,682	$ 1,300,422	$ 44,740	3.56
Cities and Towns	190,943	211,843	20,900	10.95
County	416,039	491,217	75,178	18.07
Special Taxing Districts	177,461	221,954	44,493	25.07
Special Livestock Taxes	1,462	3,573	2,111	144.39
TOTALS	$ 2,041,587	$ 2,229,009	$ 187,422	9.18
IRON COUNTY				
Iron County School District	$ 2,872,587	$ 3,217,570	$ 344,983	12.01
Cities and Towns	472,035	489,438	17,403	3.69
County	403,313	642,776	239,463	59.37
Special Taxing Districts	-	-	-	-
Special Livestock Taxes	5,972	8,449	2,477	41.48
TOTALS	$ 3,753,907	$ 4,358,233	$ 604,326	16.10
JUAB COUNTY				
Juab County School District	$ 730,357	$ 753,645	$ 23,288	3.19
Tintic School District	130,411	123,419	(6.992)	(5.36)
Total District Schools	860,768	877,064	16,296	1.89
Cities and Towns	102,637	125,749	23,112	22.52
County	263,198	278,532	15,334	5.83
Special Taxing Districts	28,960	36,806	7,846	27.09
Special Livestock Taxes	9,222	9,885	663	7.19
TOTALS	$ 1,264,785	$ 1,328,036	$ 63,251	5.00

TABLE 8 (Cont.)

KANE COUNTY				
Kane County School District	$ 487,890	$ 514,131	$ 26,241	5.38
Cities and Towns	66,959	71,973	5,014	7.49
County	192,442	202,793	10,351	5.38
Special Taxing Districts	-	-	-	-
Special Livestock Taxes	716	849	133	18.58
TOTALS	$ 748,007	$ 789,746	$ 41,739	5.58
MILLARD COUNTY				
Millard County School District	$ 1,448,648	$ 1,489,394	$ 40,746	2.81
Cities and Towns	114,043	120,785	6,742	5.91
County	298,008	352,519	54,511	18.29
Special Taxing Districts	260,743	308,444	47,701	18.29
Special Livestock Taxes	12,154	8,592	(3,562)	(29.31)
TOTALS	$ 2,133,596	$ 2,279,734	$ 146,138	6.85
MORGAN COUNTY				
Morgan County School District	$ 669,002	$ 627,915	$ (41,087)	(6.14)
Cities and Towns	31,416	33,262	1,846	5.88
County	217,135	217,253	118	.05
Special Taxing Districts	19,590	18,904	(686)	(3.50)
Special Livestock Taxes	1,106	1,953	847	76.58
TOTALS	$ 938,249	$ 899,287	$ (38,962)	(4.15)
PIUTE COUNTY				
Piute County School District	$ 195,610	$ 188,343	$ (7,267)	(3.72)
Cities and Towns	17,891	19,619	1,728	9.66
County	46,817	67,141	20,324	43.41
Special Taxing Districts	7,628	9,449	1,821	23.87
Special Livestock Taxes	1,744	1,710	(34)	(1.95)
TOTALS	$ 269,690	$ 286,262	$ 16,572	6.14
RICH COUNTY				
Rich County School District	$ 505,021	$ 506,135	$ 1,114	.22
Cities and Towns	19,151	24,156	5,005	26.13
County	166,044	223,789	57,745	34.78
Special Taxing Districts	31,474	34,741	3,267	10.38
Special Livestock Taxes	7,026	6,531	(495)	(7.05)
TOTALS	$ 728,716	$ 795,352	$ 66,636	9.14
SALT LAKE COUNTY				
Murray City School District	$ 3,696,964	$ 3,970,741	$ 273,777	7.41
Salt Lake City School District	27,632,788	29,224,166	1,591,378	5.76
Granite School District	36,119,453	38,165,095	2,045,642	5.66
Jordan School District	21,672,208	23,976,615	2,304,407	10.63
Total District Schools	89,121,413	95,336,617	6,215,204	6.97
Cities and Towns	17,390,927	18,109,096	718,169	4.13
County	30,003,966	37,886,181	7,882,215	26.17
Special Taxing Districts	16,043,254	21,711,007	5,667,753	35.33
Special Livestock Taxes	1,790	1,806	16	.89
TOTALS	$152,561,350	$173,044,707	$20,483,357	13.43

TABLE 8 (Cont.)

SAN JUAN COUNTY				
San Juan School District	$ 4,061,828	$ 3,690,892	$ (370,936)	(9.13)
Cities and Towns	110,864	118,110	7,246	6.54
County	1,624,731	1,834,168	209,437	12.89
Special Taxing Districts	223,339	224,122	783	.35
Special Livestock Taxes	1,585	1,692	107	6.75
TOTALS	$ 6,022,347	$ 5,868,984	$ (153,363)	(2.55)
SANPETE COUNTY				
North Sanpete School District	$ 479,556	$ 566,921	$ 87,365	18.22
South Sanpete School District	476,847	546,785	69,938	14.67
Total District Schools	956,403	1,113,706	157,303	16.45
Cities and Towns	184,574	218,032	33,458	18.13
County	112,286	272,396	160,110	142.59
Special Taxing Districts	73,496	80,728	7,232	9.84
Special Livestock Taxes	9,566	10,366	800	8.36
TOTALS	$ 1,336,325	$ 1,695,228	$ 358,903	26.86
SEVIER COUNTY				
Sevier County School District	$ 1,260,453	$ 1,546,908	$ 286,455	22.73
Cities and Towns	215,867	248,741	32,874	15.23
County	273,351	267,782	(5,569)	(2.04)
Special Taxing Districts	48,596	54,802	6,206	12.77
Special Livestock Taxes	5,015	7,080	2,065	41.18
TOTALS	$ 1,803,282	$ 2,125,313	$ 322,031	17.86
SUMMIT COUNTY				
Park City School District	$ 706,803	$ 793,433	$ 86,630	12.26
North Summit School District	2,240,140	2,418,242	178,102	7.95
South Summit School District	1,084,571	1,327,495	242,924	22.40
Total District Schools	4,031,514	4,539,170	507,656	12.59
Cities and Towns	467,222	627,816	160,594	34.37
County	852,881	1,037,569	184,688	21.65
Special Taxing Districts	245,212	321,959	76,747	31.30
Special Livestock Taxes	2,881	4,937	2,056	71.36
TOTALS	$ 5,599,710	$ 6,531,451	$ 931,741	16.64
TOOELE COUNTY				
Tooele County School District	$ 2,756,409	$ 2,691,362	$ (65,047)	(2.36)
Cities and Towns	733,357	784,472	51,115	6.97
County	940,422	873,819	(66,603)	(7.08)
Special Taxing Districts	63,512	63,312	(200)	(.31)
Special Livestock Taxes	11,901	17,337	5,436	45.68
TOTALS	$ 4,505,601	$ 4,430,302	$ (75,299)	(1.67)
UINTAH COUNTY				
Uintah County School District	$ 3,438,654	$ 3,595,958	$ 157,304	4.57
Cities and Towns	53,165	52,926	(239)	(.45)
County	1,174,031	1,442,992	268,961	22.91
Special Taxing Districts	344,214	422,457	78,243	22.73
Special Livestock Taxes	9,230	10,586	1,356	14.69
TOTALS	$ 5,019,294	$ 5,524,919	$ 505,625	10.07

TABLE 8 (Cont.)

UTAH COUNTY					
Provo City School District		$ 5,855,601	$ 6,123,867	$ 268,266	4.58
Alpine School District		10,646,177	11,176,193	530,016	4.98
Nebo School District	4	4,714,107	4,967,986	253,879	5.39
Total District Schools		21,215,385	22,268,046	1,052,161	4.96
Cities and Towns		4,844,892	6,010,326	1,165,434	24.05
County		3,535,718	3,820,252	284,534	8.05
Special Taxing Districts		1,461,141	1,684,856	223,715	15.31
Special Livestock Taxes		7.331	6,719	(612)	(8.35)
TOTALS		$ 31,064,967	$ 33,790,199	$ 2,725,232	8.77
WASATCH COUNTY					
Wasatch County School District		$ 1,009,447	$ 957,969	$ (51,478)	(5.10)
Cities and Towns		101,139	105,139	4,000	3.95
County		375,759	361,850	(13,909)	(3.70)
Special Taxing Districts		41,710	43,629	1,919	4.60
Special Livestock Taxes		1,661	2,109	448	26.97
TOTALS		$ 1,529,716	$ 1,470,696	$ (59,020)	(3.86)
WASHINGTON COUNTY					
Washington County School District		$ 2,396,090	$ 2,588,204	$ 192,114	8.02
Cities and Towns		624,197	756,356	132,159	21.17
County		815,085	841,717	26,632	3.27
Special Taxing Districts		76,572	111,582	35,010	45.72
Special Livestock Taxes		993	1,231	238	23.97
TOTALS		$ 3.912.937	$ 4.299.090	$ 386.153	9.87
WAYNE COUNTY					
Wayne County School District		$ 163,991	$ 159,810	$ (4,181)	(2.55)
Cities and Towns		5,665	5,521	(144)	(2.54)
County		52,991	74,195	21,204	40.01
Special Taxing Districts		1,976	2,131	155	7.84
Special Livestock Taxes		3.434	3.975	541	15.75
TOTALS		$ 228,057	$ 245,632	$ 17,575	7.71
WEBER COUNTY					
Ogden City School District		$ 5,682,504	$ 5,937,947	$ 255,443	4.50
Weber County School District		6,676,990	6,619,463	(57,527)	(.86)
Total District Schools		12,359,494	12,557,410	197,916	1.60
Cities and Towns		4,811,199	5,082,100	270,901	5.63
County		5,789,284	5,967,493	178,209	3.08
Special Taxing Districts		1,545,327	1,729,378	184,051	11.91
Special Livestock Taxes		1.844	2,110	266	14.43
TOTALS		$ 24,507,148	$ 25,338,491	$ 831,343	3.39

TABLE 9
AUDIT OF EXCISE TAX RETURNS
TEN YEAR COMPARATIVE REPORT OF DEFICIENCY ASSESSMENTS FOR FISCAL YEARS 1971-1980

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
Beer	$ 1,511	$ 2,459	$ 3,457	$ 13,838	$ 5,604	$ 3,449	$ 2,633	$ 10,252	$ 26,450	$ 12,232
Cigarette and Tobacco	4,703	1,140	3,672	1,145	1,077	3,731	3,666	7,323	-0-	6,705
Corporation Franchise	795,815	1,134,081	13,438,291	2,309,301	2,133,160	3,389,509	2,575,176	2,072,130	3,181,165	3,415,000
Individual Income	1,789,922	2,008,733	2,190,010	2,055,458	2,106,843	2,294,525	2,751,439	4,262,935	3,834,000	3,998,000
Inheritance	241,634	206,253	401,948	366,124	324,178	539,755	669,987	527,509	531,090	#
Insurance	14,107	2,236	1,191	9,998	9,745	30,423	57,738	21,035	26,446	26,603
Mileage Fee	41,854	41,847	56,762	49,102	20,639	*	-	-	-	-
Motor Fuel	49,960	93,837	102,043	17,740	139,513	223,632	204,976	151,771	88,858	64,928
Oleomargarine	7,482	11,485	208	*	-	-	-	-	-	-
Sales and Use Tax—State Tax	1,426,256	1,719,521	2,079,106	2,119,695	2,867,329	3,623,443	4,114,688	3,588,426	4,116,420	4,513,645
Sales and Use Tax—Local	202,317	254,749	273,243	306,162	399,167	541,419	660,357	672,830	771,830	747,191
Sales and Use Tax—Transit	-	-	-	-	4,075	149,327	175,624	106,075	172,510	171,549
Special fuel	42,038	69,988	65,177	66,304	131,223	61,941	150,689	184,379	337,665	477,651
Transient Room	2,236	2,121	4,759	1,650	3,253	8,892	10,583	14,013	1,239	13,615
TOTAL	$ 4,619,835	$ 5,548,450	$18,619,867	$ 7,316,517	$ 8,145,806	$10,870,046	$11,378,056	$11,618,678	$13,107,673	$13,447,119

*Mileage Fee and Oleomargarine Tax repealed.
Inheritance Tax Law amended to provide that the Utah tax is equal to the federal tax credit only.
#As of 1980, Inheritance Tax deficiencies are incorporated under Individual Income Tax.